

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

FACTORS AFFECTING CUSTOMER SATISFACTION
AND CUSTOMER LOYALTY OF AYA BANK MOBILE
BANKING, MYANMAR

MYO WIN YEE

EMBA II - 73

EMBA 16th BATCH

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Academic Year (2017-2019)

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“This thesis is submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA)”

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ACCEPTANCE

This is to certify that the thesis entitled “**Factors Affecting Customer Satisfaction and Customer Loyalty of AYA Bank Mobile Banking, Myanmar**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

Board of Examiners

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ABSTRACT

This research aims to identify influencing factors on customer satisfaction and analyze the effect of customer satisfaction on customer loyalty of AYA Bank Mobile Banking products. This study is conducted on 100 customers out of total 200,000 active users from Myanmar. From the findings of the study, it is evident that service quality and technology factor have significantly positive effect on customer satisfaction of mobile banking service of AYA Bank. Findings also show that customer satisfaction is positively significant to customer loyalty. This study recommends that AYA Bank need to improve information quality of Mobile Banking Application while need to maintain existing service quality and enhance system technology as per customer requirement. Therefore, bank is not only able to retain existing customers but also to capture new customers. Bank also needs to do proper customer segment to identify satisfy customer and offer other product (e.g., home loan) to convert them as loyal customer.

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CHAPTER 1

INTRODUCTION

The mobile banking service offer in the banking sector has diversified. Myanmar banks are offering their clients to access their financial accounts access from their mobile devices. Mobile banking system opens multiple routes to the client such as ATMs, point of sales device (POS), internet and mobile phones. Over the years, commercial banks in Myanmar introduced a variety of ventures within the nation to get their goods and services to the clients, by doing road displays, installing new ATMs, introduction of electronic banking, mobile phone banking, payment and many more. Based on the recent news, adoption of mobile banking has received more attention in recent years, because there are more mobile phone users than computer users in the market. Mobile phone internet connection consumption has lately become a burning issue among information systems and marketing information. Technology is performing a key role in the global age and is taking over in every way. Mobile banking is just a few examples of the ever-developing technology advancements and it is a different way of banking, as it gets it simpler for consumers to contact their finances, even from countryside or inaccessible areas. For the business banks to expand on the current mobile phone lending services they offer to the buyers they should initially find out what the prospects of users are and whether they are happy with the current services offered by the banks. This research adopted a quantifiable design to determine the issues of mobile banking that impacts client pleasure.

AYA Bank is the country's leading commercial bank and according to the bank continues to offer a broad variety of products and services over a network of two hundred fifty over branches, seven hundred over ATM's, three thousand over POS, and full-service online and mobile banking across Myanmar. As of its efficiency and consistency, mobile banking has been used by clients of the AYA Banks in Myanmar for more than five years now. The mobile banking service among the commercial banks in Myanmar provides a range of different services which includes buying airtime top-up, paying electricity bills, sending money to the account, checking mini statement, and etc. This provision is extremely secured as must enter a user ID and password to access it.

Every single industry organization`s achievement varies on the contentment of the clients. Whenever a company is about to begin, clients continually come in the beginning and then the income. Those firms that are accomplishing to meet the clients fully will stay in the best position in a marketplace. Today`s industry firm has recognized that client satisfaction is the crucial element for the success of the firm and at the similar time it performs a crucial role to enlarge the market price. In common, clients are those people who buy commodities and facilities from the marketplace or company that meet their requirements and wishes. Clients buy products to meet their hopes in terms of cash. Therefore, firms should decide their pricing with the quality of the merchandise that invites the client and retains the long-tenure association.

Happiness means to feel content after what the person needed or wanted. It is hard to know whether the consumers are satisfied with the convenience of the product or services. Consequently, giving pleasure to the clients is not an simple task, for this unique factor is needed to be taken into attention. These Days, rivalry can be seen between the industry groups and marketplaces everywhere and has been one of the tough tasks for the rivals. Though it seems to be challenging in the growing marketplace, participants are expanding their marketing channels realistically.

1.1 Rationale of the Study

Client satisfaction is a assess on how the essential services offered or delivered by an organization knows or surpasses the expectations of a user. Moreover, client satisfaction is obtained through meeting the expectations that when they use mobile banking service. When the expectations of the service reliability, information security and technology readiness is met, client satisfaction is got high which mean more client engage into mobile banking. Otherwise, more client will not engage to use. In order to success, banks need to adopt and develop new banking technologies such as mobile banking. And accomplishment is attained when the new skills are accepted and endlessly used by clients. In adding to the technological advancement of new banking technologies, influencing factors affecting of this mobile banking technology by clients shall be considered.

According to technology wave, bank need to implement innovative banking systems and support with global changes to endure and satisfy the needs of their clients.

A detailed knowledge of factors affecting recognition of technology by consumers can considerably add to the successful completion of new technologies. For successful recognition, continual adoption, and distribution of a technology, the circumstances and actions of users and factors influencing them shall be found to be able to build exact plans based on documentation results. However, recognition of technology is always supplemented by disputes and barriers. Therefore, governments should evaluate all of the aspects of launch of a equipment into their group before relocating or improving that expertise.

The introduction of mobile banking in Myanmar was launched in 2014 by the AYA Bank, the country's leading commercial bank. According to AYA Bank website, mobile banking had a radical impact on the scale of business and how day to day operations are carried out. There are about 25 commercial banks in Myanmar and many clients of those business banks use mobile banking on a regular base to do businesses, such as dispatching money to their family partners, mobile airtime top up and so on. All The Way Through the years, some clients complaint about certain features such as the lack of client service, out of use ATM's, lack of awareness of the mobile banking apps and unexplainable banking charges. By use of mobile banking service, it makes easier for clients to check the balances and transfer money. However, when they need to withdraw money from the ATM urgently and when they approach to the ATM's, it might be out of service and mobile banking system is unavailable. This has an impact on clients as they may want the money at that point in time to carry out an essential transaction or to pay off a liability. This makes a low satisfaction to the client. Corresponding to local newspaper, some of the complaints about service delivery at banking institutions include long and stagnant queues inside the bank branches and ATM machines are often out of service.

The immense changing economy in recent years has become the significant factor in which its impacted highlighted the array of different sectors pertaining to finance and banking in Myanmar. One of the key aspects to ensure the care of the clients is to provide the finest and the most positive goods at this competing market. If a client's satisfaction is gained, then it is sure that client trustworthiness will also come along with it. Furthermore, in the lack of the client, a company group would not survive. In order to expand the total of the clients, advancement of client's satisfaction is very crucial. In terms of accomplishing business targets, these two conditions are very crucial. Therefore,

this paper is target to provide valuable information to the bank about client satisfaction and client loyalty of AYA Bank Mobile Banking service.

AYA Bank is chose for this study because AYA Bank is one of the leading banks in Myanmar provide sophisticated mobile banking service to their clients. Moreover, AYA Bank has been implementing new digital banking technology to improve their client satisfaction and build the loyalty relationship in the industry.

1.2 Objectives of the Study

This research is intended to study two main objectives.

1. To identify the influencing factors on client satisfaction of AYA Bank Mobile Banking.
2. To analyze the effect of client satisfaction on client loyalty of AYA Bank Mobile Banking.

1.3 Scope and Method of the Study

This study focuses on AYA Bank Mobile banking client satisfaction and loyalty. Research tools and instruments are used to measure influencing factors on client satisfaction and measuring the effect of client satisfaction on client loyalty.

In this study, descriptive research and empirical research are employed. Descriptive research is utilized in order to explore the current status of influencing factors on client satisfaction and effect of client satisfaction on client loyalty. Empirical research is appropriate when proof is sought the influencing factors elements to client satisfaction in someway.

Survey questions are taken from established previous study and literature review. The study area is limited to AYA Bank Mobile Banking client with population size 200,000. Simple random Sampling method is applied for this study with sample size is 100 clients of AYA Bank. The sample size is calculated with Yamane's formula. Primary data is collected by survey questionnaire which developed in Google form and copies distributed via email on social media website and also distributed printed copies to clients.

1.4 Organization of the Study

The thesis consists of five chapters. The initial chapter gives the general overview part where it contains rationale of the study, objective of the study, and scope and method of the study. Chapter two is the theoretical background of the paper with empirical study to review theory construct the conceptual framework. Chapter three is the profile of AYA Bank, mobile banking services of AYA Bank and applying information quality, service quality and technology factors at the bank. Chapter four include further analyses the data that are collected for this research, including data from questionnaires. Chapter five presents the end, the result of this investigation together with the set of proposals.

CHAPTER 2

THEORETICAL BACKGROUND

This chapter includes relevant literature and previous works of different authors are studied to provide the overview of secondary data in constructing the conceptual framework for this paper. In this chapter also contain, the reviews of theories of influencing factors on client satisfaction, client satisfaction, client loyalty, empirical study and develop the conceptual framework of the study.

2.1 Influencing Factors on Client Satisfaction

For the generation Y and Z, client satisfaction seems to be anywhere. Client satisfaction is a substantial component in service delivery because knowledge and pleasing client's needs and wants can create improved market share from duplicate purchases. The emphasis to client satisfaction is not a recent trend. Number of popular businesspeople over the years have recognized the significance of client pride and production of it in a company result. Usually, client satisfaction is an mindset. Consequently, there are certain disagreements between the factors which affect client satisfaction. (Maharjan, 2017)

2.1.1 Information Quality on Client Satisfaction

Client satisfaction is important for every organization to predict client retention, return client for to use bank service and client loyalty for mobile apps usage. Client satisfaction on mobile apps occurs when client expectation can be met by the service offered from the apps. Client satisfaction and loyalty are important to determine the success of business implementation. (Maharjan, 2017)

Information Quality on Mobile Banking Service is impact to client satisfaction. Mobile Banking is one of the recent technological innovations in the financial services, empower consumers to complete financial transactions through mobile or handheld devices. Banking is an organization with different levels of users and requirements of information. User satisfaction implies fulfilling expectations and positive affective state

based on the result of maintaining the relation in case of mobile banking (Kanthawongs, 2015).

Additionally, information quality is defined as the latest, accurate, and complete information provided by a web site to its users. It also reflects information relevancy, sufficiency, and currency. Users access Mobile banking to promptly acquire information on their account balance and payment. If the information is irrelevant, insufficient, inaccurate or out-of-date, users may wonder whether banking “service providers have enough ability, integrity, and benevolence to provide quality information to them”. It also presented information quality has been one of the critical factors affected online client satisfaction in Taiwan. Furthermore, due to the high perceived risk, building users’ trust would contribute to their satisfaction of m-banking. Trust defined as “a willingness to be in vulnerability based on the positive expectation toward another party’s future behavior” (Kanthawongs, 2015).

Client satisfaction is one of the instruments for a business achievement. Client satisfaction is specified as an overall assessment based on the total buy and utilization knowledge with the good or service across time (Fornell, 1996).

Client satisfaction also comes near with it which means it determines the belief of the client on how the supplies and essential services are being assisted by the businesses. Tortious information on how to make clients further happy is therefore, a crucial result (Oliver, 1999).

Therefore, client satisfaction is a key component of a company strategy as well as client preservation and invention repurchase. To increase the client satisfaction firms should offer ideas and methods after the close with all the required papers. As for example, clients buy a car after getting a closer watch at it such as how is the machine, what is its model, how many kilometers it has been going, and is there any flaws or not. So that, they do not feel disheartened after purchasing it. Then, if the company uses only their sell and build technique clients might think that the car is precisely the same as what they see in the photos or during the display and later on the firm might receive criticism if anything is incorrect. Client satisfaction is a indicator that foresees the future client actions (Hill, 2007).

The mobile product and its features, functions, reliability and client support are important things required to meet or exceed the satisfaction of the clients. Satisfied

mobile clients usually use the apps daily. Besides using the apps, they also act as a network to reach other clients by sharing experience.

2.1.2 Service Quality on Client Satisfaction

At the time of 1980 product strength and service quality used to be evaluated by client loyalty. But, there has been remarkable changing in the late 1980 and in 1990, when the needs and wants of the clients were found by the retailers in the market. These Days, in this latest era, the firms have shifted this theory towards the original target users by producing common invention benefits to assure clients satisfaction and loyalty (Abdullah, 2012).

Offering the quality of goods and services in the 20th century is not only to appease the clients but also to have a safe place. Indeed, this has helped the clients considerably on using qualitative products (Rebekah, 2004).

At the start of the new era, client satisfaction seems to be everywhere. Client satisfaction is a significant element in service delivery because knowledge and satisfying client's needs and wants can generate increased market share from repeat acquisitions. The orientation to client satisfaction is not a recent phenomenon. Number of successful businesspeople over the years have recognized the significance of client pride and output of it in a company result (Vavra, 2002).

Facility is one of the very difficult factors which do not exist before they are eaten. In order, to build the service management it is important to understand what clients are really looking for and what the clients assess. Clients anticipate the quality of service through stores, so, the service sellers have to assess how clients realize the quality of the "services feature" indicated by the apparent service quality basis (Maharjan, 2017).

Service quality describes to the outcome of the contrast that the client makes their belief about the service and their view of the way the facility has been completed (Grönroos, 2007). Normally, client pleasure studies are performed to figure out how pleased clients are with a certain facility (Zeithaml, 2003).

User protests are overviewed through clients' beliefs, views on the service of things. The recognized value of the clients is likely on the prospects and consequences of

the estimation process of the clients. Additionally, service quality has a substantial connection with the clients' satisfaction which clearly disturbs the clients' loyalty. Hence, the retailer should concentrate on these factors to improve client connection with satisfaction and loyalty in this aggressive retail market worldwide (Maharjan, 2017).

2.1.3 Technology Factor on Client Satisfaction

Technology implementation will not work without the users' intention to adjust. Technological transformation is happening at lightning speed. Technology usage trends are supporting and a reflection of consumer's technology readiness. The main contributing factors are optimism and innovativeness whereas discomfort and insecurity acting as deterrent factors.

(Chang, 2008) studied the role of internet experience as a moderator in the relationship between interface quality, satisfaction and e-loyalty. (Cai, 2003) stated in their paper titled "Internet users' perceptions of online service quality: a comparison of online buyers and information searchers" that service quality is widely accepted as one of the key determinants of online retail success. Also, this exploration found that all of the four dimensions knowingly influenced online buyers' assessment of general online service quality, while only three dimensions, Website design/content, trustworthiness, and communication, had a substantial impact on data searchers' valuation of general working service quality.

(Chung, 2009) studied the effect of user's trust level on mobile banking satisfaction which focuses on trust in mobile banking influences the relationship between client satisfaction and perceptions towards system quality, information quality and information presentation of mobile banking. The model articulates how perceptions of the system quality, information quality and information presentation of mobile banking moderated by trust influence client satisfaction with this type of service.

(Chiu, 2007) examined the continuance intention using influence of fairness and quality on learners' satisfaction in web-based learning. This study highlights distributive fairness, and interactive fairness exhibit necessary positive effects on satisfaction of web-learning. (Yee-Loong Chong, 2010) empirically examine the factors i.e. perceived usefulness, perceived ease of use, trust and government support that involve the

implementation of online banking in Vietnam. The outcomes demonstrated that perceived usefulness, trust and government support all clearly linked with the intention to use online banking in Vietnam. Reverse to the technology acceptance model, perceived ease of use was found to be not substantial in this study.

(Eriksson, 2005) modifies the technology acceptance model and uses it to bank clients in Estonia. The study ends that the perceived usefulness of internet banking is, for banks, a key build for boosting client usage.

2.2 Client Satisfaction

Client satisfaction is enormously important because it is the way of getting response from the clients in a sense that they can utilize it to handle and improve their business. Client satisfaction is the best sign of how the company looks like in the upcoming. Client satisfaction helps in executing SWOT analysis that could assist them to build their business in an advance and in a methodical way. Moreover , it will also help in getting the right judgment to use the appropriate supplies while producing the products. Equally, it maintains the affiliation with the existing clients and also creates the chance to acquire additional clients (SSRS, 2016).

It is lower to retain clients than obtain new ones. To make a client's cost lot of cash. Marketing team consumes lots of capital and time in compelling their excellence. Client satisfaction is a primary aim of every company. Client satisfaction confirms the client wants to return to acquire the service. Satisfied clients are more likely to advise their friends and families which will help to grow the business. A totally displeased client decrease profits, whereas happy client has a positive effect on profitability (Maharjan, 2017).

Improved client fulfillment can provide business benefits like client loyalty, extending the natural life cycle of a client developing the life of merchandise the client purchase and expands clients positive word of mouth communication. When the client is satisfied with the manufactured goods or service of the company, it can make the client to purchase repeatedly and to recommend products or services to possible clients. It is unfeasible for a business organization to grow up in case the company disregards or disregards the desires of clients (Tao, 2014)

2.3 Client Loyalty

Client loyalty and satisfaction is vital for modern day business for two main reasons. First, clients are scarce means it is far easier to obtain from an old client than from a new one. Second, client loyalty and satisfaction have a encouraging effect on the profitability revenues of the company (Rosenberg, 1984).

When products are bought clients expect perfection instead of amounts. There are kinds of products that are comparable in the marketplace and occasionally it is hard to discern which single is qualitative and robust. This is the wonderful opportunity for the industry organization doing promotion of their goods and public services to know what precisely clients are seeking for. Client satisfaction is a key gauge of the marketplace that evaluates the success of the organization. People have kinds of tastes and choices and consequently, satisfaction also differs from one person to an additional. It also may vary the probability of the consumer depending on the option they may have, such as the national and worldwide market (Kotler, 2006).

Client loyalty is another crucial element in client satisfaction. The influence of the satisfaction in trustworthiness gets most prevalent subject in study of the marketing theory. Thus, several studies have proved that satisfaction and loyalty have the obvious connection between one an additional. As satisfied clients are dedicated and unhappy clients are a supplier (Heskett, 1994).

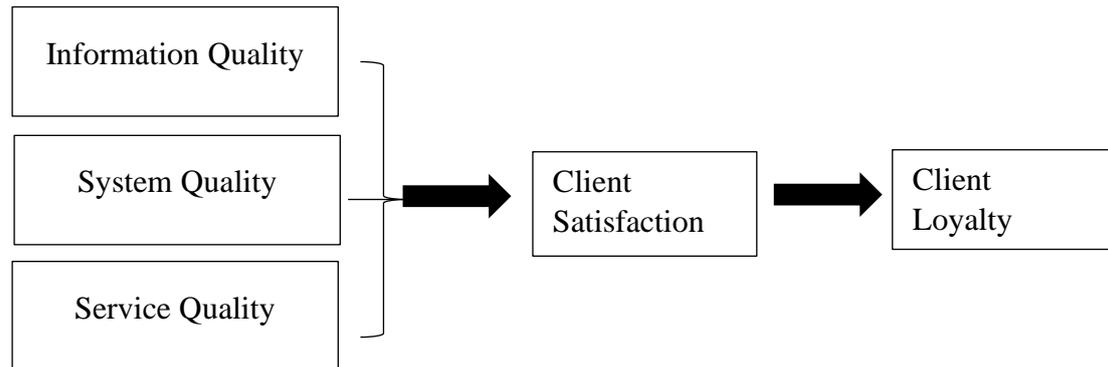
2.4 Previous Studies

In online business, people might see good or service first from website used by the seller. These way make the client smarter since they have more information about the product and more alternative places to buy such product. Client satisfaction and loyalty is a very expensive thing to maintain by every company in global market that full of competition. Client satisfaction and loyalty concept in online and mobile business become a hot issue discussed in electronic bases business. (Maharjan, 2017)

Information Quality provided in FJB Kaskus website has direct, positive and significant effect toward client satisfaction in conducting online shopping. This finding has supported information quality as having positive and significant effect toward satisfaction of client that use interface-based system. This result also gives support where

information quality is one of the main antecedents that affecting satisfaction while conducting e-Commerce transaction. Client satisfaction might be felt by client conducting online shopping since shopping could be done practically everywhere and anytime, and it has lower cost in accessing information. (Maharjan, 2017)

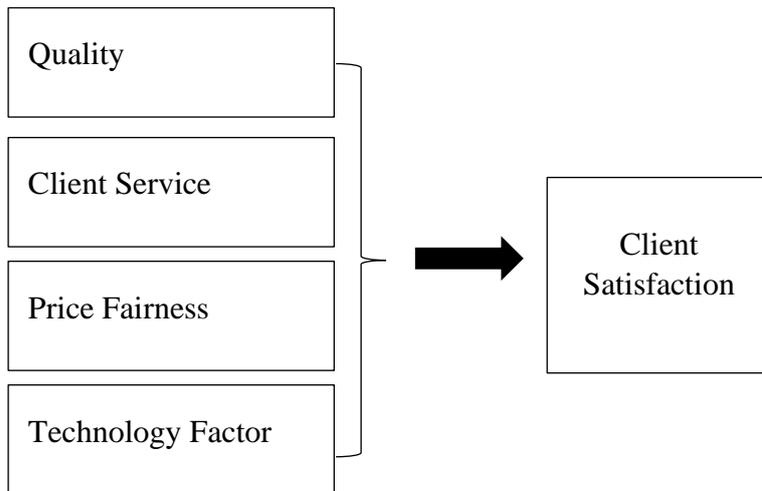
Figure (2.1) Information Quality and Service Quality on Client Satisfaction



Source: (Maharjan, 2017)

According to Figure (2.1), (Maharjan, 2017) mentioned that service quality for electronic based business regarding client satisfaction, an important aspect in it is client relation with system that supporting online shopping. Service quality is generally discussing about what felt by consumers while conducting online shopping. This finding show that service quality has positive and significant effect toward satisfaction of interface-based system users. This finding is quite similar with result of where service quality showed insignificant effect toward satisfaction of e-commerce website users.

Figure (2.2) Technology Factor on Client Satisfaction



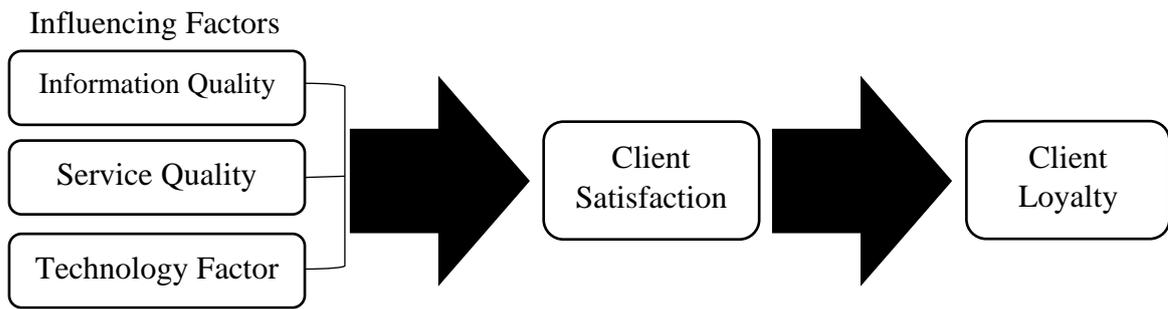
Source: (Wang, 2014)

(Wang, 2014) mentioned at Figure (2.2) that Investigating the role of technology factor and technology enabled services (TES) in airline industry like self-check-in facility, reservation system to client satisfaction. Its also mention technology Factor for electronic based business such as internet banking, mobile banking for client satisfaction, an important aspect in it is client relation with system that supporting mobile banking. This finding show that Technology Factor has positive and significant effect toward satisfaction of mobile screen system users.

2.5 Conceptual Framework of the Study

In this study, it discusses about influencing factors on clients satisfaction of AYA Bank Mobile banking and effect of clients satisfaction on the client loyalty of AYA Bank Mobile banking. Influencing factors are information quality, service quality and technology factor of clients. In accordance to analyze the variables, the conceptual model of this paper is shown in the following Figure (2.3).

Figure (2.3) Conceptual Framework of the Study



Source: Own Compilation (2019)

Clients who received information quality in timely manner will be satisfied. Moreover, client satisfaction depends on Mobile banking service quality factors such as reliability and responsibility. Technology factor which effect based on type of technology and security models that offering to client that lead to the client satisfaction.

Based on (Coyne, 1986), there are two important levels affecting the link between client satisfaction and client trustworthiness. When satisfaction reaches a certain level, loyalty increases significantly, at the same time satisfaction dropped to a certain point, loyalty dropped equally significantly.

Client loyalty will increase significantly when satisfaction achieves at a certain level and at the same time client loyalty will decline automatically if the satisfaction level drops to a certain point. Likewise, highly satisfied clients are tending to be more loyal than the clients who are merely happy. Total, it is clear that there is a considerable constructive relationship between client satisfaction and client loyalty. Client loyalty tops to an increase in both sales and effectiveness (Chi, 2005).

Client loyalty is viewed as the depth of the relationship between an individual's relative attitude and re-patronage. Though client satisfaction is a key part of a business, satisfaction alone cannot take a business to a top level. Client satisfaction produces a positive financial result, especially in regular purchases. Today's unforgiving market where creating and retaining client loyalty is more complex than it used to be in the past years. This is because of technical innovation and prevalent of the internet uses. Trustworthiness building wants the company to focus the value of its product and services and to show that it is concerned to meet the desire or build the connection with clients (Griffin, 2002).

CHAPTER 3

PROFILE AND PRACTICES OF MOBILE BANKING SERVICES IN AYA BANK

In this chapter include brief background of AYA Bank, its organization structure, Mobile Banking Service Offered by AYA Bank and highlights Information Quality, Service Quality and Technology Factors that applying on AYA Bank.

3.1 Profile of AYA Bank Limited

Ayeyarwaddy bank was approved by the Central Bank of Myanmar at 2 July 2010 by Financial Institutions Law 2016 as a complete service commercial bank. The bank has expanded quickly over the past seven years to become the second largest in the country, with 234 branches, [1.4m client], Kyat four point seven trillion bank deposit money one hundred fifty billion Shareholders' Equity. Top 100 depositors are six percent of total deposits, underlining the common public's trust in the bank.

As a representative of the UN Global Compact (UNGC), Ayeyarwaddy bank is committed to execute global standards in Commercial Control and compliance best practices in its management and operations. Consequently, since 2014-15, Ayeyarwaddy bank is the first bank in Myanmar to be IFRS in compliance and the only one inspected under International Standards of Auditing (ISA) by a big-four international firm. The bank has also invited and preserved talented staff with both local and global exposure and has invested substantially in Learning & Development as a path to ensure long-term organic expansion for the neighborhoods it serves.

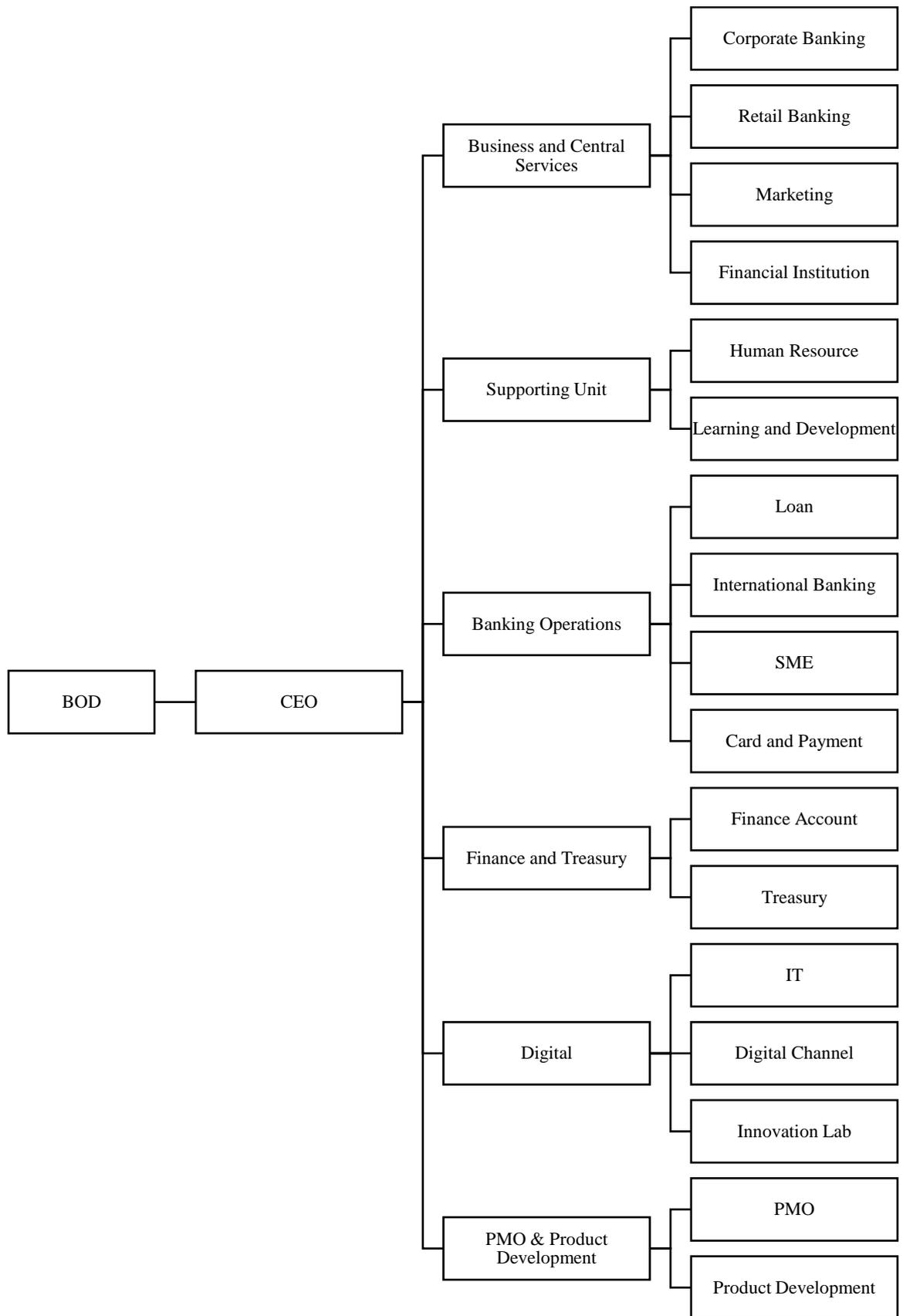
For the years ahead, the bank plan continue to widen its branch web through Myanmar while simultaneously investing in state-of-the-art Core Banking, Digital Banking and Fintech programs. Ayeyarwaddy bank aims to provide uniform Omni-channel interface offering innovative products and services across all client segments. Ayeyarwaddy bank will also continue to focus on deepening relationships with clients, providing best-around-class user service, and leveraging technology to swiftly expand the client base. The bank also aims to widen strengthen its governance, risk and compliance structure as a measure to ensure balance and sustain growth (Ayeyarwaddy bank, 2019).

To be established as the prominent bank in Myanmar through pursuit of excellence and long-term sustainable growth for the bank and its stakeholders. Ayeyarwaddy bank is the bank of choice for anyone who is looking for fast, reliable, honest banking interactions at reasonable cost. Ayeyarwaddy bank presents the complete range of retail and commercial banking goods and services and is in harmony with domestic traditions and international standards in its domination and operations. Ayeyarwaddy bank has always strived to achieve global standards in its banking operations and the banks are constantly improving corporate governance, risk management and compliance measures by embracing global best practices. Ayeyarwaddy bank have engaged experts and consultants with broad technology in order to grow business. The bank has grown steadily since its inauguration, with the number of branches reaching 258 branches as November 2019. Bank client deposits have grown to more than MMK 4.8 trillion as at March 2018, signifying growing confidence among the public in the brand and standing of the bank. For the immediate years ahead, the bank will continue to extend its reach throughout Myanmar, determine relations with new clients and foreign stakeholders and strengthen the Bank's capital and risk management controls. The bank will also emphasize on improving human capital and substitute a corporate culture of innovation through technology as to provide new products and services Bank believe that as Myanmar continues the restructurings of the banking industry, the bank will be well-placed to be the front-runner in term (AYA bank, 2019).

3.1.1 Ayeyarwaddy bank Organization Structure

Ayeyarwaddy bank is structured with Board of Director, Board committees as Board level. Executive Chairman managed the whole bank as CEO level supporting Executive Management Committee and Management Committee. In the division level, there are six divisions such as Business & Central Services, Supporting Unit, Banking Operations, Finance and Treasury, Digital and PMO & Product Development.

Figure (3.1) AYA Bank Organization Structure



Source: AYA Bank, 2019

3.2 Mobile Banking Service Offered by AYA Bank

AYA bank has implementing Mobile banking system since 2014. It provides banking services such as account balance check, funds transfer, top-up and bill payment. During year of 2014, there are only one telecommunication provider is available in this country. Internet connectivity on that day is very limited website able to access and speed were too slow compared to other country.

Mobile Banking implies Electronic banking that uses Mobile phone equipment or tablets to deliver electronic economic services to clients. It has been criticized as a powerful new promoting consumer relations method for financial services companies. European banks have been using Mobile banking as initial as 1999, while main banks in America only begun using this banking service in 2007. At that period, clients do not receive the services they expect to get from their financial institution's Mobile banking apps, which makes people upset and their satisfaction reduces. Most client are expected to be able to check account balance, deposit checks and receive real-time notifications on credit account from Mobile banking apps.

As part of the digital banking roadmap, AYA Bank is started with ATMs and Point of Sales devices brought to the Myanmar market on 2011. There are only a few numbers of ATM cardholder in the country when started on 2011. Moving forward, AYA Bank is introducing first-ever internet banking service in Myanmar on late 2013. Earlier phase of AYA Bank internet banking is start with basic features such as account overview, check transaction statements, and funds transfer. Gradually, AYA Internet banking products and features is improving by added bill payment, Mobile top-up, MIS statement check and so on.

AYA Bank is continuously invest in digital era of the bank to provide great client experience. In this digital age, bank is also following the flow of digital revolution happening around the world. AYA Bank Mobile wallet service called AYA pay and new version of Mobile banking version 2.0 continue to support client needs to reach to the satisfaction level and towards to the loyalty.

3.3 Information Quality of Mobile Banking

Receiving information in timely manner is critical function that clients are demanding in this digital age. Clients are using banking transactions not only in business hours but 24 hours a day. Due to business model is changing around the world, clients are required to get information anytime whenever they need. Banking information is making available to clients to view or transact all the time.

AYA Bank Mobile Banking that uses Mobile phone technology to deliver electronic financial services to clients. AYA Bank Mobile banking is providing seamless user interface for clients to view their financial information such as account balance check, transaction statement and credit card information.

In order to improve information quality, AYA Bank is started with ATMs and Point of Sales devices. There are only a few numbers of ATM cardholder in the country when started on 2011. Moving forward, AYA Bank is introducing first-ever internet banking service in Myanmar on late 2013. Earlier phase of AYA Bank internet banking is start with basic features such as account overview, check transaction statements, and funds transfer. Gradually, AYA Internet banking products and features is improving by added bill payment, Mobile top-up, MIS statement check and so on.

Clients are now able to block their credit card from AYA Bank Mobile Banking to prevent unauthorized used. If clients are travelling abroad, they still can use AYA Bank Mobile Banking anytime anywhere to retrieve financial information perform bank transactions. Moreover, AYA Bank is working with partner to allow clients to view their bank account information, transaction statement from third party apps. Third party mobile apps like retail shop, online shop and SME merchant can connect AYA Bank Mobile Banking or Internet Banking to receive payment in real-time. Merchant and agents also receive financial information like transaction details instantly. This is great improvement for partner, merchant and agent to use information quality of bank. This kind of collaboration platform by AYA Bank Mobile Banking is provide seamless view, dashboard view for all kind of clients.

3.4 Service Quality of Mobile Banking

AYA bank is implementing Service Quality through all branches in nationwide. Financial sector including bank is under the service industry category. There is no doubt that clients are expecting better service if compare with other bank or institution.

In this digital age, financial institution like banks are running business similar with retail shop in the city area. Clients are accessing bank not only from Over-the-counter channel at branches but also accessing from online banking such as Internet Banking and Mobile Banking channels. Whichever channels that client chose, they expect the best service quality with consistent delivery method. Delivery method is not only provides information quickly, but also client on-boarding, turnaround time for home loan application, and credit card fraud remediation and so on. All of this service requirement and turnaround time is measured by client. Better service quality will be better client satisfaction.

In order to provide such service quality to meet client expectation, AYA Bank is investing human resources and computer system. To provide readiness of human resources, AYA Bank is engaging the in-house training and outsource training to train own staffs. This kind of training is mainly giving to the front-line staffs from Head Office and branches. Client facing staffs are most stressful position in the bank. Client can be frustrated before they come to branch to meet with front-line staffs. However, bank staff need to welcome to client and listen the problem from client. Most importantly, bank staff required to understand the client problem and solve the client instantly. If front-line staffs can't solve the issue, it will be escalating flow to escalate product specialists to handle the issue. Escalating the issue couldn't be talking much time as client are frustrated.

Nevertheless, AYA Bank are committed to deliver better service quality to clients on daily basis. Continuous improvement also applying to improve service quality by reviewing client feedback from branches and social media. Board of Directors and Senior Management of the bank are putting service quality as top agenda of every discussion.

3.5 Technology Factor of Mobile Banking

Technology transformation happening in the world with high speed. Every organization is using technology to transform business model, increasing profit and reducing cost.

AYA Bank is providing e-banking platform to the clients since 2013. E-banking platform is including AYA Retail Internet Banking, AYA Corporate Internet Banking and AYA Mobile Banking. AYA Bank is also integrating with partner to allow client transacts from retail shop and online shop. Clients are just require to have bank account with AYA Bank and they can perform various transaction via AYA Bank Mobile Banking platform. AYA Bank Mobile Banking are operates smart phone eco system like iOS and Android. Tablets and Laptop are able to use too.

As part of the digital eco-system driving by technology factor, transaction banking system, POS terminal and card payment are also offer to the clients. Clients are no longer required carry cash to buy goods and services. They can use one of the digital instruments like card, AYA Bank Mobile Banking to buy goods, top-up mobile, pay bills, send money to home, send money to friends, receiving money from oversea and so on. Young population is highest population in Myanmar. Generation Y and Z are not willing to use cash to make transactions anymore. They prefer to use mobile and digital gadgets like wearable devices to make transactions. If the bank are still demanding clients to come to branch, this is blocking young generation use the bank service. Technology factor such as digital gadgets are driving force to bank to adapt new technology.

Financial inclusion journey is shifted faster with technology factor also. Especially, mobile phone is making possible for financial inclusion objectives including woman and kids. AYA Bank is offering mobile payment platform service to have formal financial service to clients. Rather than getting in-formal financial service like hundi, people are gaining more benefits to engage proper financial service like banks. Benefits are getting lower interest rate for lending compare with in-formal provider, service reliability and money is safe in the bank. In this research, technology factor also contributing major points for client satisfaction lead to client journey.

CHAPTER 4

ANALYSIS ON FACTORS INFLUENCING CLIENT SATISFACTION AND CLIENT LOYALTY OF AYA BANK MOBILE BANKING

This chapter examines and analyzes on factor influencing client satisfaction and the effect of client satisfaction on client loyalty to the organization Mobile Banking Application. Firstly, the analysis on demographic profile of the respondents is presented by using the “Frequency Analysis” tool. Secondly, different factors are currently influence on client satisfaction are analyzed from the survey questionnaire using the “Linear Regression Analysis”. Finally, the effect of client satisfaction on client loyalty is analyzed and presented in this chapter.

4.1 Demographic Profile of Respondents

Firstly necessary information of the respondents is collected. Demographic characteristics and personal data of the respondents are compiled by using the survey questionnaire and the data obtained are analyzed with the use of “Frequency Analysis”. The data collected from the survey are categorized into the factors such as age group, educational level, gender, income, and position are shown in Table (4.1).

A total of 100 respondents from AYA Bank clients are participated in this survey which explored the influencing factors on client satisfaction to AYA Bank Mobile Banking and client loyalty as the outcome. Before conducting the survey by using the questionnaire, purpose and objectives of the exercise were well explained to all those who had participated in the survey. All participants were rest assured that all information collected from them will be kept confidential as survey data and will be used solely for the research purpose under the academic program.

Table (4.1) Profile of Respondents

No.		Description	Frequency	Percentage (%)
	Total		100	100
1	Gender	Male	36	36
		Female	64	64
2	Age category	18 to 24 years	3	3
		25 to 34 years	32	32
		35 to 44 years	42	42
		Above 45 years	23	23
3	Education level	High school	0	0
		Undergraduate	0	0
		Bachelor degree	33	33
		Master degree or more	67	67
4	Occupation	Student	2	2
		Unemployed	3	3
		Professional employee	62	62
		Own business entrepreneur	33	33
5	Income per month	0 to 500,000 MMK	11	11
		500,001 to 1,000,000 MMK	9	9
		1,000,001 to 1,500,000 MMK	20	20
		1,500,001 to 2,500,000 MMK	28	28
		More than 2,500,000 MMK	32	32
6	Years of using AYA Bank Mobile banking	Less than one year	20	20
		1 to 2 years	20	20
		More 2 years	60	60

Source: Survey data (2019)

Female respondents are more than male respondents as majority of AYA Bank clients are female. It is found out that female is in-charge for finance and accounting parts to work with the bank and male business owners are more focus on sales, marketing and business meeting. In the parts of the Age category, it is found that above 35 years clients are more using mobile banking as they are familiar with technology and mobile phones. They are trust in technology for financial transaction too. Respondents have master degree and above is highest which they are used to manage their bank transaction using mobile banking. According to occupational results, most respondents are professional employee and business owner. It is obvious that they are manage their finance with mobile banking most of the time. As part of the income range, 60% of respondents are earn more than 1.5 million kyats per month which indicate that, professional employee or business owner has deposit at bank account and make transactions using mobile banking. Lastly, it is found out that 60% of respondents are using AYA Bank Mobile Banking for more than 2 years as part of their finance transactions.

4.2 Analysis on Factors Influencing Client Satisfaction on Mobile Banking

4.2.1 Client Perception on Information Quality

In this Information Quality questionnaire, most respondents are very satisfied with performing quick banking transactions whenever they need. Probably, AYA Bank Mobile Banking apps is easy to log in using biometric information in a two second away. Moreover, respondents are able to make transfer to other bank accounts, top-up mobile phone and make payment to their recurring bills. Respondents also like they can make transactions anytime as information quality is available 24hours a day. In addition, respondents are able to manage their finance effectively such as to check account balance, view transaction statements from user friendly interface screen of mobile apps.

Table (4.2) Information Quality

No.	Items	Mean	Standard deviation
1	Enables to conduct banking transactions more quickly.	4.34	0.88
2	Convenience way to manage finances.	4.27	0.72
3	Enables to conduct banking transactions.	4.33	0.84
4	The interaction on screen clear and understandable.	4.06	0.75
	Overall mean	4.25	

Source: Survey data (2019)

From the ‘Mean Scores’ calculated in Table (4.2), it can be said that the mean score for every statement is more than 4 and thus leaning towards the higher side for Likert’s 5 Points Scale. Meaning that all the questions answered are expressing that Information Quality regard the Mobile Banking Application towards the direction of client satisfaction.

The highest mean score (4.34) was found in the statement of ‘Mobile Banking enables to conduct banking transactions more quickly’ while the lowest mean score (4.06) was found in the statement ‘The interaction with Mobile banking is clear and understandable’. Respondents strongly agree that Mobile Banking Application is require to enable banking transaction quickly which means that AYA Bank has develop the apps to obtain the great performance in order to achieve client satisfaction. However, when it comes to Mobile Banking interaction, respondents come to an agreement level which is (4.06) means that Mobile Application is require to improve interaction flow when switching different type of transactions.

The second highest mean score (4.33) was found with the statement that says ‘Mobile Banking enables to conduct banking transactions anytime’. This mean that AYA Bank is doing great job to enable Mobile Banking service available most of the time. The remaining mean score (4.27) was found with the statement that says ‘Mobile Banking is a

convenient way to manage my finances’ which indicate that AYA Bank Mobile Banking provide sufficient product features to allow client managing their financial very well. From the mean scores obtained from these four statements, it can be construed that AYA Bank has identified Information Quality is important factor for respondents to use Mobile Banking Application.

4.2.2 Client Perception on Service Quality

On Service Quality, respondents are like to use Mobile Banking due to easiness to learn to the apps. There is no special tutorial and guide to use mobile banking apps. Moreover, respondents are mentioned that they are easy become skillful to use mobile banking apps which mean mobile interface screen is user friendly. It is found that Mobile Banking icon and screen menu also easy to identify to make transactions and perform both financial transactions and non-financial transactions.

Table (4.3) Service Quality

No.	Items	Mean	Standard deviation
1	Easy to learn how to use banking transactions.	4.30	0.81
2	Easy to become skillful	4.12	0.74
3	Easy to use on mobile.	4.22	0.85
4	Easy to use icon and screen menu	4.21	0.86
	Overall mean	4.21	

Source: Survey data (2019)

According to Table (4.3), it described that the mean score for every statement is more than 4 and thus leaning towards the higher side for Likert’s 5 Points Scale. Meaning that all the questions answered are expressing that Service Quality regard the Mobile Banking Application is above average. The highest mean score (4.30) was found in the statement of ‘Easy to learn how to use Mobile Banking to conduct banking transactions’ while the lowest mean score (4.12) was found in the statement ‘It was easy for me to

become skillful at using Mobile Banking'. Respondents described that Mobile Banking Application is very user friendly for the new users who are not familiar. This means that AYA Bank has put great effort to the apps to obtain best user experience for the different types of client. However, when it comes to be skillful to use Mobile Banking, respondents come to an agreement level which is (4.12) means that Mobile Application is require to improve screen and icon. The second highest mean score (4.22) was found with the statement that says 'AYA Mobile Banking is easy to use'. This mean that respondents are expressed that no specific instruction and guide is required to use. The remaining mean score (4.21) was found with the statement that says 'Mobile Banking icon and screen menu is easy to use' which indicate that icons are not very small nor very big to use and screen menu is sufficient enough to navigate the transactions type. According to mean scores obtained from these four statements, it can be assumed that Service Quality most dominating factor for respondents.

4.2.3 Client Perception on Technology Factor

In this Technology factor, most respondents are very satisfied that Mobile Banking apps are working mobile phone sim-cards and working good with mobile operators 3G and 4G connection. Moreover, respondents are satisfied that Mobile Banking Apps is working at many types of mobile phone handset without delayed and hanged. In addition, respondents are able to download Mobile Banking apps from respective apps store easily depend on their handset model. Respondents are not very satisfied using mobile banking apps in tablets which mean Mobile Banking apps is not working well or not good looking in tablets.

Table (4.4) Technology Factor

No.	Items	Mean	Standard deviation
1	Able to use normal 3G/4G connection.	4.23	0.75
2	Working smoothly on mobile phone.	4.25	0.85
3	Easy to download from respective apps store.	4.35	0.94
4	Able to use at any tablets.	3.97	0.83
	Overall mean	4.20	

Source: Survey data (2019)

According to Table (4.4), it described that the mean score for every statement is more than 4 and thus leaning towards the higher side for Likert's 5 Points Scale. Meaning that all the questions answered are expressing that Technology Factor regard the Mobile Banking Application is above average. The highest mean score (4.35) was found in the statement of 'Mobile banking is easy to download from respective apps store' while the lowest mean score (3.97) was found in the statement 'Mobile banking is able to use at my tablets'. Respondents expressed that Mobile Banking Application is easy to download from respective mobile apps store anytime they need. Apps store essential channel for Mobile Banking Application to receive to client ends. Nevertheless, respondents come to an agreement level which is (4.12) for using with tablets device which means that Mobile Application is not presented well at tablets device which having bigger screen than mobile phone. The second highest mean score (4.25) was found with the statement that says 'Mobile banking is working smoothly on my phone'. This mean that respondents are expressed that this Mobile Banking Application is working smoothly on their phone. The remaining mean score (4.23) was found with the statement that says 'Mobile banking is able to use normal 3G/4G connection from sim cards' which indicate that Mobile Banking Application is able to use not only WIFI connection but also mobile operators sim card which provide convenient to respondents even though they are accessing from abroad. According to mean scores obtained from these four statements, it can be assumed that Technology Factors of Mobile Banking Application is satisfy to the respondents.

4.2.4 Client Satisfaction on Mobile Banking

According to client satisfaction results, respondents are satisfied to use AYA Bank Mobile Banking which provide more profits to their business. Respondents also share their experience with their family and friends. Moreover, respondents are like to install AYA Bank Mobile Banking in their mobile phone all the time. Therefore, they can use whenever they need. However, respondents are not very satisfied about to give one of the favorite apps rating to AYA Bank Mobile Banking among other banks apps.

Table (4.5) Client Satisfaction

No.	Items	Mean	Standard deviation
1	Able to use AYA Bank Mobile banking	4.14	0.79
2	Favorite Mobile banking	3.97	0.81
3	Give more profits on business or work	4.01	0.75
4	Make satisfy to family and friends.	4.03	0.77
5	Using apps make satisfy in phone.	4.01	0.85
6	Give satisfaction of banking needs	4.09	0.78
	Overall mean	4.04	

Source: Survey data (2019)

According to Table (4.5), the highest mean score (4.14) was found in the statement of ‘Satisfied to use AYA Bank Mobile banking’ while the lowest mean score (3.97) was found in the statement ‘Favorite Mobile banking’. Respondents are not fully agree that AYA Mobile Banking Application is favorite despite they have satisfied to use. The second highest mean score (4.09) was found with the statement that says ‘Give satisfaction of banking needs’. This mean that respondents are expressed that this Mobile Banking Application is deliver their banking needs. The mean score (4.01) was found with the statement says ‘Give more profits on business or work and my phone with AYA Bank Mobile Banking apps make satisfy’. This referring that respondents are satisfy because it help their business grow. The remaining mean score (4.03) was found with the

statement that says ‘Make satisfy my family and friends’ which indicate that respondents are stay within the ecosystem by receiving or sending cash from/to their family and friends.

4.2.5 Factors Influencing on Client Satisfaction of Mobile Banking

The simple linear regression is performed to find out the influencing factors such as information quality, service quality, demographic factor and technology factor to client satisfaction. In simple regression model, client satisfaction is used as dependent variable. Influencing factors are used as independent variable.

Table (4.6) Effect of Influencing Factors on Client Satisfaction

Variables	Unstandardized Coefficients		Beta	T	Sig.
	B	Std. Error			
(Constant)	1.586	0.516		3.075	.003
Information Quality	0.051	0.075	0.059	0.675	.501
Service Quality	0.353***	0.090	0.378	3.917	.000
Technology Factor	0.193***	0.080	0.234	2.408	.018
R Square	0.270				
Adjusted R Square	0.247				
F Value	11.840***				

Source: Survey Data (2019)

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

According to Table (4.6), the specified model could explain well about the variation of the client satisfaction of the respondents in AYA Bank since the value of R^2 is about 27 percent. The model can explain 24.7 percent about the variance of the independent variable and dependent variable because adjusted R square is 0.247. The value of F test, the overall significance of the model, is highly significant at 1 percent level. This specified model can be said valid. Moreover, T-values in all factors are greater than 0 showing evidence against the null hypothesis that there is no significance difference.

Service quality has expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in service quality lead to the effect on client who have satisfaction on AYA Bank Mobile banking. The increase in quality by 1 unit also raise the effect on client who have satisfaction on AYA Bank Mobile banking on 0.353 units.

Service quality on AYA Bank is very promising, as part of client roadmap AYA Bank is aiming to provide best service to their client among other banks. Clients are able to reach their financial information in their hands via AYA Bank Mobile Banking anytime anywhere. Moreover, clients are receiving their account information, transaction statements, credit card balance, hire-purchase repayment in timely manner whenever they make transactions. In addition, AYA Bank branches staffs are service-oriented people who served the clients daily. This is the main reason that AYA Bank gain client satisfaction with great service quality.

The standard coefficient (Beta) of the service quality has the largest value (0.378) among three explanatory variables indicating that service quality has the greatest contribution to the effect on client who have satisfaction on AYA Bank Mobile Banking.

Technology factor has expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in technology factor lead to the effect on client who have satisfaction on AYA Bank Mobile banking. The increase in quality by 1 unit also raise the effect on client who have satisfaction on AYA Bank Mobile Banking on 0.193 units.

AYA Bank is investing heavily at technology not only software and hardware but also human resources for highly tech-skills people. AYA Bank Mobile Banking is one of the product that developing using latest technology to focus on client satisfaction. Client

using AYA Bank Mobile Banking with great user experience and high security coverage is that one of the objectives that bank wants to achieve. In this survey, it is proof that technology factor is getting client satisfaction with high significant value.

4.3 Analysis on the Effect of Client Satisfaction on Client Loyalty of AYA Bank Mobile Banking

4.3.1 Client Loyalty on Mobile Banking

Client become loyal to the organization or products when they feel satisfy. As per survey result, clients are willing to use other bank service such as credit card and home loan due as they trust this organization is offering great products as usual. Moreover, respondents are proud to use AYA Bank Mobile Banking as essentials tools and share with their business entity. However, respondents are also likely to use other competitor product.

Table (4.7) Client Loyalty

No.	Items	Mean	Standard deviation
1	The best compare with others	3.97	0.81
2	Part of business and essentially important	4.01	0.75
3	Make proud at business entity	4.03	0.77
4	Use other AYA Bank service	4.09	0.78
	Overall mean	4.02	

Source: Survey data (2019)

According to Table (4.7), the highest mean score (4.09) was found in the statement of ‘Make me to use other AYA Bank service (E.g., credit card, home-loan)’ while the lowest mean score (3.97) was found in the statement ‘The best compare with others’. This mean that respondents are wanted to use other banking products as they trust and become loyal despite not the best compare with others. The second highest mean

score (4.03) was found with the statement that says ‘Make me proud in my business entity’. This mean that respondents are very proud to share with business entity. The remaining mean score (4.01) was found with the statement says ‘Part of my business and essentially important’. This referring that respondents are very satisfy with products and described AYA Bank Mobile Banking is part of their business grow.

4.3.2 Effect of Client Satisfaction on Client Loyalty of AYA Bank Mobile Banking

In simple regression model, client loyalty is used as dependent variable. Client satisfaction used as independent variable.

Table (4.8) Effect of Client Satisfaction on Loyalty

Variables	Unstandardized Coefficients		Beta	T	Sig.
	B	Std. Error			
(Constant)	0.173	0.326		0.530	0.597
Client Satisfaction	0.926***	.094	.706	9.879	0.000
R Square	0.499				
Adjusted R Square	0.494				
F Value	97.593***				

Source: Survey Data (2019)

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

According to Table (4.8), the power of models used to explain some extent about the variation of client satisfaction as the value of R^2 is 49.9 percent. The model can explain 49.4 percent about the variance of the independent variable and dependent variable because adjusted R square is .494. The value of F test is 97.593 which highly

significant at 1 percent level. Moreover, T-values in all factors are greater than 0 showing evidence against the null hypothesis that there is no significance difference.

Client expectation has expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in client satisfaction lead to the effect on client who have loyalty on AYA Bank Mobile banking. The increase in quality by 1 unit also raise the effect on client who have satisfaction on AYA Bank Mobile banking on 0.926 units.

The standard coefficient (Beta) of client satisfaction has the value (0.706) indicating that client satisfaction has the contribution to increase client loyalty on AYA Bank Mobile Banking.

AYA Bank is focusing to improve client relationship from Board of Directors level to the most junior staffs in company in daily basis. Bank is primarily focus on client to be trusted partner with bank. Moreover, AYA Bank is interacting with their client not only branches channel but also contact centers, social media and mobile banking platform. In this digital age, clients are more interact with bank via social media and mobile banking platform. By knowing that, bank is allocated full resources such as technology and human resource to provide better client experience on daily basis to satisfy the client. Based on this analysis, its showing that more client satisfies, more become client loyalty to the bank.

CHAPTER 5

CONCLUSION

This chapter presents the findings and discussion from the primary data collected from 100 respondents of AYA Bank client and aimed to identify influencing factors of client satisfaction and the effect of client satisfaction on client loyalty which contributions of findings. Furthermore, this chapter consists of suggestions and recommendations based on the findings from the analysis made. In the last part of this chapter, the need for further researches are discussed while keeping the limitations encountered during the study in consideration.

5.1 Findings and Discussions

The whole purpose of the research was to identify the influencing factors on client satisfaction of AYA Bank Mobile Banking and to analyze the effect of client satisfaction on client loyalty of AYA Bank Mobile Banking. First part, the current study sought to identify influencing factors on client satisfaction from respondents and assessed how those factors influenced on client satisfaction. information quality, service quality, technology factor are taken as influencing factors. The findings show that service quality is most dominating factor to the respondents who use AYA Bank Mobile Banking.

In the service quality, it is found that mobile banking application is very user friendly for the new users who are not familiar. Mobile application is need to improve screen display and no specific instruction and guide is required to operate. Moreover, icons are not very small nor very big to use and main menu is sufficient enough to navigate the transactions type.

In analysis, service quality has shown the positive relationship indicates that the increase in service quality lead to the effect on client satisfaction on AYA Bank Mobile Banking. Service quality on AYA Bank is very prominent in finance industry, as part of client roadmap, bank is also aiming to provide best service to their client among other banks. Clients are able to retrieve financial and non-financial information in their hands by using of AYA Bank Mobile Banking at any country. Moreover, clients are receiving their account information, transaction statements, credit card balance, hire-purchase

repayment in timely manner whenever they make transactions. In addition, bank branches staffs are service-oriented people who served the clients daily. This is the main reason that AYA Bank gain client satisfaction with great service quality.

In this study, it is also found that technology factor is prominent to get client satisfaction as well. Due to the fact that mobile banking apps are working well on mobile phone sim cards and able to operate with mobile telecommunication 3G and 4G connection. Moreover, mobile banking apps is running smoothly at mobile phone handset without any issue. Clients are able to download mobile banking apps from Android or iOS apps store conveniently. However, it was found that mobile banking apps is not working well or not good looking in tablets.

From the analysis, technology factor has positive impact with client satisfaction which indicates the increase in technology factor lead to the effect on client satisfaction on AYA Bank Mobile Banking. System is well implemented to provide best client experience. And mobile apps is compatible with multiple type of mobile vendors. Thus, bank IT infrastructure and software are implemented to serve high client demand. Moreover, bank is prepare for best security by implementing secure environment to conduct financial services.

Second part of this study is to analyze the effect of client satisfaction on client loyalty. In analysis, it is found that client satisfaction has positive relationship to client loyalty on AYA Bank Mobile Banking. This is the result that bank is enforcing client service level to maintain optimum level across from Board of Directors staffs to the most junior staffs in company. Bank also interacting with their client from not only branches face to face channel but also contact centers, social media and mobile banking platform. In this digital age, clients are more interact with bank via social media and mobile banking platform. By knowing that, AYA Bank is allocated full technology and human resources to provide better client experience on daily basis to satisfy the client.

From the above regression analyses, it is concluded that influencing factors has positive impact on client satisfaction. And the effect of client satisfaction on client loyalty also positive. To be able to achieve higher client retention, bank need to emphasize and improve information quality, service quality, technology factor. Thus, the influencing factors practiced by the organization plays a very important role to satisfy the client and lead to loyalty.

5.2 Suggestions and Recommendations

AYA Bank can capture a better client to adopt AYA Bank Mobile Banking by improving factors that were main key significances. Bank also need to ensure that when promoting mobile banking service to be less complex and client feel that mobile banking service platform is user friendly and simple to use. Possibility to demonstrate the usefulness of technology and service quality such as to check the account balance anytime anywhere and show how users can easily pursue the functions and its features without giving a negative impression. Furthermore, on the risk level, ensuring the safeguard mechanism of mobile banking platform and explaining the contingency measures in the event of any exposure to fraud by using mobile banking. Being more deliberate on the secureness of AYA Bank Mobile banking and how it is protected. Educating the potential and existing clients on Dos and Don't when using the service such as not to share the login user identification and password to whom they don't trust or supposedly with anyone. The bank also should take into consideration of creating a "trial" period for clients to experience the mobile banking.

There are also a few of recommended strategies to increase the number of clients enrollment such as push marketing strategy. The bank should continue to proactively cross-sell the mobile banking service by utilizing its own branch networks, agents, partner and by attracting the clients with key factors that influence client satisfaction of its service. Moreover, pull marketing strategy also recommended. The bank should also continue onto doing mass marketing of mobile banking service that includes media, social media promotions, word-of-mouth referrals program and advertising. Also, the bank can do promotional offers such as frequent user benefits like a lucky draw program. Also bundling this product with other main products can possibly increase the sales as well. Targeting the right clients, based on findings in this research, most of the clients who use mobile banking service are young educated professional. Therefore, reexamining the bank's client targeting strategy to see if it has been targeting the right segment.

5.3 Needs for Future Research

There are several limitations in this study. Firstly, this study has analyzed only the influencing factors of client satisfaction and the effect of client satisfaction to client loyalty of AYA Bank Mobile Banking service. Therefore, there is still much room for further investigation to identify different influencing factors to the client satisfaction.

Second limitation is that research is only conducted at AYA Bank client who come or access web survey from branches which not cover all AYA Bank Mobile Banking client in other regions in Myanmar. That's why there is a small sample size, which is 100 AYA Bank clients only. Therefore, there is the limitation that the surveys did not conduct through all clients across the nationwide whereas AYA Bank is present and also time constraint. The next limitation is the likert scale may not be absolutely reliable because different respondents may have different perception and they will choose the different point of scales. Suggestions for future academic studies would be interesting to research across all banks in Myanmar and compare the results with this study. Also using larger sample sizes and different contexts in order to refine the results.

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APPENDICES

APPENDIX A

Dear Sir or Madam,

I am MBA student from Yangon University of Economics. As a part of MBA courses, I am doing a thesis for my graduation. Please give your views or opinions to the questions given below about AYA Bank Mobile banking. The information provided by you will be kept highly confidential and will be used by me strictly for an analysis only.

Section A

Demographic factors

1. What is your gender?
 - Male
 - Female

2. What is your age?
 - 18 to 24 years
 - 25 to 34 years
 - 35 to 44 years
 - Above 45 years

3. What is your highest educational qualification?
 - High school
 - Undergraduate
 - Bachelor degree
 - Master degree or more

4. What is your current occupation?
 - Student
 - Unemployed
 - Professional Employee

- Own Business

5. What is your income per month?

- 0 to 500,000 MMK
- 500,001 to 1,000,000 MMK
- 1,000,001 to 1,500,000 MMK
- 1,500,001 to 2,500,000 MMK
- More than 2,500,000 MMK

6. How long have you used AYA Bank Mobile banking?

- Less than one year
- 1 to 2 years
- More than 2 years

Section B

The following statements measure Information Quality, Service Quality, Technology Factor to the use of AYA Bank Mobile banking.

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

No.	Statements	1	2	3	4	5
1	I believe that using Mobile banking enables me conduct banking transactions more quickly.					
2	I believe that Mobile banking is a convenient way to manage my finances.					
3	I believe that Mobile banking enables me to conduct banking transactions anytime.					
4	I believe that it was easy for me to learn how to use Mobile banking to conduct banking transactions.					
5	I believe that the interaction with Mobile banking is clear and understandable.					
6	I believe that it was easy for me to become skillful at using Mobile banking.					
7	AYA Mobile banking is easy to use.					
8	I believe that Mobile banking is able to use normal 3G/4G connection from sim cards.					

9	I believe that Mobile banking is working smoothly on my phone.					
10	I believe that Mobile banking is easy to download from respective apps store (Google playstore, Apple Apps store).					
11	I believe that Mobile banking icon and screen menu is easy for me to use.					
12	I believe that Mobile banking is able to use at my tablets.					

Section C

1. The following statements are about your satisfaction of AYA Bank Mobile banking.

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

No.	Statements	1	2	3	4	5
1	I am satisfied to use AYA Bank Mobile banking					
2	AYA Bank Mobile banking is one of favorite Mobile banking					
3	AYA Bank Mobile banking give me more profits on my business or work					
4	AYA Bank Mobile banking make me satisfy my family and friends.					
5	I have used AYA Bank Mobile banking in my phone makes me satisfy.					
6	AYA Bank Mobile banking give me satisfaction of my banking needs.					

2. The following statements are about your loyalty of AYA Bank Mobile banking.

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

No.	Statements	1	2	3	4	5
1	AYA Bank Mobile banking is the best compare with others					
2	AYA Bank Mobile banking is part of my business and essentially important					
3	AYA Bank Mobile banking make me proud in my					

	business entity					
4	AYA Bank Mobile banking is make me to use other AYA Bank service (E.g., credit card, home-loan)					

APPENDIX B

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.520 ^a	.270	.247	.28432	.270	11.840	3	96	.000

a. Predictors: (Constant), Technology Factor, InfoQual, Service quality

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.871	3	.957	11.840	.000 ^a
	Residual	7.761	96	.081		
	Total	10.632	99			

a. Predictors: (Constant), Technology Factor, InfoQual, Service quality

b. Dependent Variable: Customer Satisfaction

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
		1	(Constant)	1.586			.516		3.075	.003
	InfoQual	.051	.075	.059	.675	.501	-.098	.199	.982	1.019
	Service quality	.353	.090	.378	3.917	.000	.174	.532	.818	1.222
	Technology Factor	.193	.080	.234	2.408	.018	.034	.352	.806	1.241

a. Dependent Variable: Customer Satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.706 ^a	.499	.494	.30570	.499	97.593	1	98	.000

a. Predictors: (Constant), Customer Satisfaction

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.120	1	9.120	97.593	.000 ^a
	Residual	9.158	98	.093		
	Total	18.279	99			

a. Predictors: (Constant), Customer Satisfaction

b. Dependent Variable: Customer Loyalty

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	.280	.380		.736	.463	-.474	1.034		
	Customer Satisfaction	.926	.094	.706	9.879	.000	.740	1.112	1.000	1.000

a. Dependent Variable: Customer Loyalty