

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

CREDIT LOANS SERVICES OF AEON MICROFINANCE
ON SOCIAL ECONOMIC CONDITIONS OF WOMEN

NU HTWE MYINT
MBF (DAY) 2nd BATCH

OCTOBER, 2022

CREDIT LOANS SERVICES OF AEON MICROFINANCE ON SOCIAL ECONOMIC CONDITIONS OF WOMEN

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

Supervised by:

Dr. Thynn Thynn Myint

Professor

Department of Commerce

Yangon University of Economics

Submitted by:

Nu Htwe Myint

Roll No. 55

MBF (Day 2nd Batch)

OCTOBER, 2022

ACCEPTANCE

Accepted by the Board of Examiners of the MBF Programme, Department of Commerce, Yangon University of Economics, in partial fulfillment for the requirement of the Master of Banking and Finance (MBF).

Board of Examiners

(Chairman)

Dr. Tin Tin Htwe

Rector

Yangon University of Economics

(Supervisor)

(Examiner)

(Examiner)

(Examiner)

October, 2022

ABSTRACT

The main objectives of this study are to identify the financial services of Aeon Microfinance Myanmar, to describe the Credit Loans of Aeon Microfinance Myanmar and to examine the effects of Credit Loans provided by Aeon Microfinance on Socio-Economic Conditions of Women. Primary data are acquired by collecting a structured questionnaire. Hlaing Tharyar township has 180 female clients. By Raosoft formula, 123 female clients (70% of total clients) are surveyed by systematic sampling technique. Majority of the respondents are female retailers using Aeon's credit loans from 1 to 3 years. Regression result indicates that among seven credit loan services offered by Aeon Microfinance, six services (loan products, loan amounts & interest, loan terms, loan process & requirements, credit management and repayment/collection) have the significant positive effect on socio-economic conditions of women while compulsory saving does not have significant effect on socio-economic conditions of women. Among those significant financial services, loan product is most influencing factor on socio-economic conditions of women. It is suggested that Aeon Co., Ltd should pay top priority to product loans and offer more product loans according to the retailer business types. Aeon should monitor the increases of price and update reasonable loan amount and evaluate the loan terms for new client by referring the previous successful cases. In addition, Aeon should reduce the process and requirements during Covid-19 pandemic and arrange the seminars for existing or potential clients how the old customers manage their credits and business. Finally, Aeon should set the repayment collection schedule according to the business nature and abilities of clients.

ACKNOWLEDGEMENTS

Foremost, I would like to express my sincere gratitude to Prof. Dr. Daw Tin Tin Htwe, Rector, Yangon University of Economics, for her concern, motivation, enthusiasm and encouragement to the participants of the Master of Banking and Finance (MBF)

My deepest gratefulness goes to Prof. Dr. Daw Tin Tin Htwe Programme Director of the Master of Banking and Finance (MBF), Department of Commerce, Yangon University of Economics, for her guidance throughout the course of the study.

A debt of gratitude is also owed to my supervisor Dr. Thynn Thynn Myint Professor, Department of Commerce, Yangon University of Economics, for her insightful comments, guidance and constant supervision throughout the thesis period.

I also wish to thank my respected professors and lecturers of MBF program who shared their time and valuable knowledge during the course of MBF student tenure at the Yangon University of Economics. I would like to thank my MBF colleagues, friends, and classmates for their encouragement: support and knowledge sharing during my studies. Last but not least, I would like to give heartfelt thanks to my family for giving the time, chance and support.

TABLE OF CONTENTS

ABSTRACT		i
ACKNOWLEDGEMENTS		ii
TABLE OF CONTENTS		iii
LIST OF TABLES		v
LIST OF FIGURES		vi
LIST OF ABBREVIATION		vii
CHAPTER 1	INTRODUCTION	1
	1.1 Rationale of the Study	2
	1.2 Objectives of the Study	3
	1.3 Scope and Method of the Study	3
	1.4 Organization of the Study	4
CHAPTER 2	THEORETICAL BACKGROUND	5
	2.1 Microfinance Institutions	5
	2.2 Loan Services	6
	2.3 Socio-Economic Variables	11
	2.4 Moderating Variables of Age and Education Level	13
	2.5 Previous Studies	14
	2.6 Conceptual Framework of the Study	16
CHAPTER 3	MICROFINANCE PRACTICES OF AEON MICROFINANCE CO., LTD	18
	3.1 Profile of Aeon Co., Ltd	18
	3.2 Organization Structure of Aeon Co., Ltd	19
	3.3 Credit Loans Services of Aeon Microfinance Co., Ltd	21

CHAPTER 4	ANALYSIS ON THE EFFECT OF CREDIT LOAN BY AEON MICROFINANCE ON SOCIO-ECONOMIC CONDITIONS OF WOMEN	26
4.1	Research Design	26
4.2	Demographic Data of the Respondents	28
4.3	Socio-Economic Conditions	33
4.4	Analysis on the Effect of Credit Loan on Socio-Economic Conditions	35
4.5	Moderating Effects of Demographic Characteristics on the Relationship between Financial Services and Socio- Economic Conditions	37
CHAPTER 5	CONCLUSION	43
5.1	Findings and Discussions	43
5.2	Suggestions and Recommendations	46
5.3	Need for Further Research	47
REFERENCES		
APPENDIX A		
APPENDIX B		

LIST OF TABLES

Table No.	Descriptions	Page
3.1	Loan Products of Aeon Myanmar	21
4.1	Demographic Data of the Respondents	27
4.2	Client Perception of Loan Products	28
4.3	Client Perception of Loan Amount and Interest rate	29
4.4	Client Perception of Loan Terms	30
4.5	Client Perception of Loan Process and Requirements	31
4.6	Client Perception of Loan Judgment/ Credit Management	31
4.7	Client Perception of Repayment/Collection	32
4.8	Client Perception of Compulsory Saving	33
4.9	Client Perception of Socio-Economic Conditions	34
4.10	Effect of Credit Loan on Socio-Economic Conditions	35
4.11	Moderating Effects of Age on the Relationship between Credit Loan Services and Socio-economic Variables	39
4.12	Moderating Effects of Educational Background on the Relationship between Credit Loan Services and Socio-economic Variables	41

LIST OF FIGURES

Figure No.	Description	Page
2.1	Dynamics of Group Lending	10
2.2	Conceptual Framework of Loan Amount, Interest Rate, and Repayment Frequency on Women Empowerment	15
2.3	Conceptual Framework of Credit Management on Loan Performance	15
2.4	Conceptual Framework of Financial Services, Training Programs, Business Coaching on Socio-Economic Performance	16
2.5	Conceptual Framework of the Study	17
3.1	Organizational Structure of Aeon Co., Ltd	19
3.2	Loan Process of Aeon Microfinance Co., Ltd	23

ABSTRACT

The main objectives of this study are to identify the financial services of Aeon Microfinance Myanmar, to describe the Credit Loans of AEON Microfinance Myanmar and to examine the effects of Credit Loans provided by AEON Microfinance on Socio-Economic Conditions of Women. Primary data are acquired by collecting a structured questionnaire. Hlaing Tharyar township has 180 female clients. By Yamane formula, 123 female clients (70% of total clients) are surveyed by systematic sampling technique. Majority of the respondents are female retailers using Aeon's credit loans from 1 to 3 years. Finding regression result indicates that among seven credit loan services offered by Aeon Microfinance, six services (loan products, loan amounts & interest, loan terms, loan process & requirements, credit management and repayment/collection) have the significant by positive effect on socio-economic conditions of women while compulsory saving does not have significant effect on socio-economic conditions of women. Among those significant financial services, loan product is strongly influencing effect on socio-economic conditions of women. It is suggested that AEON Microfinance should pay top priority to product loans and offer more product loans according to the retailer business types. AEON should monitor the increases of price and update reasonable loan amount

and evaluate the loan terms for new client by referring the previous successful cases. In addition, AEON should reduce the require documents and process during Covid-19 pandemic .Moreover, AEON arrange the seminars for existing or potential clients how the old customers manage their credits and business and saving practices. Finally, AEON should set the repayment collection schedule according to the business nature and abilities of clients.

CHAPTER 1

INTRODUCTION

In recent decades, reducing poverty through the empowerment of women has emerged as one of the most important measures in the world's developing and underdeveloped nations. Based on the finding of (UNDP, 1993), a unique financial program called microfinance offers small loans to those in need who are unable to obtain traditional bank loans. It is frequently offered by non profit institutions like banks and other financial organizations. By offering both financial and non-financial services to the poor, microfinance has emerged as a crucial tool for reducing poverty in emerging nations. Microfinance's primary characteristic of focusing on women, proposed by (Arora, 2006), has been acknowledged to produce more preferable results for sustainable development.

Poor people, according to (Vatta, 2003), who do not have access to banks or other formal financial institutions, can receive small loans without any collateral ensured by microfinance. (Khandelwal, 2007) noted that microfinance refers to small-denomination financial goods such as loans, savings, insurance, transfer services, and other financial products targeted with modest incomes. Though, microfinance, by the finding of (Suprabha, 2014), is more effective at demonstrating a beneficial influence on poverty reduction and the living standards of the society's weaker segments since it combines financial services with non-financial services like training, marketing skills, and awareness.

Others contend that men frequently take control of the microcredit that was allocated to women, placing them in a more vulnerable position within the household. Microcredit aids women in increasing their income earning capacities, resulting in greater power within the household. The women have more difficulty than men raising startup capital for businesses, and they struggle with credibility issues while speaking with bankers. Poor people in rural area can access providing production credit and other services through microcredit initiatives, which are small-scale credit programs according to Carter and Cannon (1992). Additionally, (Pitt and Khandker, 1998) mentioned that it has been discovered that giving credit to women rather than males has a stronger effect on a variety of household choice variables, including household spending, the educational status of children, and health. Microfinance has the potential to improve the

socioeconomic development of the weak and underprivileged group, particularly women, according to Reji (2009), by establishing a community-based framework that fosters mutual trust and support,

In Myanmar, microfinance has risen steadily over the past several years to play a significant role among financial service providers serving the low-income population that is eliminated from the regular banking system. Microfinance and inclusive finance are given significant roles by the government as a means of eliminating poverty. The previous Microfinance Supervisory Enterprise (MMSE), which is now the Financial Regulatory Department (FRD), under the Ministry of Finance, set the microfinance law in November 2011. Institutions with credit activity accounting for more than 30% of their assets received more than 200 licenses (MMFA, 2020). Local MFIs have developed to compete with foreign MFIs run by INGOs already present in the nation. To improve their clients' socioeconomic circumstances, MFIs are working to provide credit lending products and services that are tailored to their requirements and preferences.

1.1 Rationale of the Study

Women's engagement in the economy and access to resources for development have historically been constrained by sociocultural norms and other barriers, particularly in developing nations. Women are poor, accounting for 70% of the world. However, generally speaking, women have less to reach access to credit and other financial services. Nevertheless, there is a common understanding that women need to be empowered on both an economic and social level if they are to contribute significantly to economic progress. Making loans readily available to women so they can finance their small and micro businesses is one effective way to empower them.

As of the end of September 2019, microfinance institutions (MFIs) were providing over 5 million clients with outstanding loans totaling roughly \$1.2 billion. According to data by the United Nations Capital Development Fund (UNCDF), 59% of MFI borrowers in Myanmar were women in 2018. (Gram, Morrison, and Worrall, 2019) noted that the products and services provided by MFIs do not reach the requirement of women borrowers, who frequently turn to informal lenders.

Women still have restricted access to formal financial services globally today. The women in Myanmar are frequently most at risk of losing out on economic progress as they habitually lack access to resources and financial services, occupy less skills, and are

frequently determined in a little range of occupations that are frequently poorly paid and there is the rise of inequality and poverty which affect the various group of people. Women who have access to credit and savings, have a larger economic role in decision-making because of their choices regarding credit and savings. Women will maximize their personal and the welfare of the household when they make the financial decisions on their own. Investments in the economic activities of women will increase their chances of finding work. Additionally, as poverty levels drop, gender inequality may tend to decrease as well. As one of the key components in improving global development efforts, women's empowerment is crucial for socioeconomic growth.

A development initiative called microfinance may focus on a particular underprivileged population, such as poor women who lack the resources the government may offer to win commercial backing. Therefore, it is important to consider whether the Myanmar microfinance industry is truly inclusive, especially in terms of giving women better chances so they can lessen the impact of poverty on the nation as a whole.

There are various microfinance institutions that help poor women, and it is important to examine the impact of their interventions supported by micro finance firm on evaluating employability. Therefore, it is necessary to study if Myanmar microfinance sector is truly comprehensive, especially in terms of improving women's socio-economic possibilities and enabling them to eliminate poverty from the nation.

In July 2013, AEON Microfinance (Myanmar) Co., Ltd. was founded. The work runs in 44 townships in Yangon division and Mandalay occupies 7 townships operates Aeon's microfinance firm respectively. One-third of Yangon's unregistered people, many of whom are low-income and have significant housing preservation demands, reside in Hlaing Tharyar. One of the top institutions for microfinance, Aeon Microfinance, has had to contend with fierce competition as more and more companies enter the market. It enables those who are unable to obtain financing from banks to better the socioeconomic circumstances of women. In order to maintain its market position, Aeon Microfinance must evaluate and enhance its offerings such as services and goods. This study aims to assess how Aeon Microfinance's microcredit programs have affected the socioeconomic standing of women in Myanmar.

1.2 Objectives of the Study

The main objectives of the study are:

- 1) To identify Credit Loans provided by Aeon Microfinance on Socio-Economic Conditions of Women
- 2) To analyse the moderating effect of age and education between the credit loans and socio-economic conditions of the women

1.3 Scope and Method of the Study

Only the impacts of credit loans given by Aeon Microfinance on the socioeconomic circumstances of women are the exclusive topic of this study. For this research study, descriptive statistics are used. The study makes use of both primary and secondary data to accomplish its main objective. People in the Hlaing Tharyar region are in need of financial assistance and have poor incomes. 180 women are Aeon Myanmar customers in the area. Secondly, 123 clients (about 70%) are chosen as the sample population in accordance with Raosoft's sampling formula. Customer surveys employing a structured questionnaire and a methodical sampling strategy are used to gather primary data. In this study, a standardized questionnaire with 5-point Likert scales is employed. Regression method is applied to examine the data. The secondary data are also gathered from Aeon Microfinance reports and documents, annual reports, reference books, text books, websites, and business papers connected to finance.

1.4 Organization of the Study

The study is made up of Five chapters. The first chapter is an introductory one that demonstrates the rationale of the study, method of the study, scope and limited of the study and organization of the study. The second chapter mentions literature review of the microfinance institutions. The third chapter indicates Aeon Microfinance's profile and its credit loans. The chapter four proposes analysis of the effect of credit loan by Aeon Microfinance on socio-economic conditions of women. The chapter five finally describes the conclusion which includes suggestions and needs for further research.

CHAPTER 2

THEORETICAL BACKGROUND

This chapter presents the related literature review about influencing factors of microfinance loan and women employability.

2.1 The Role of Microfinance Institutions

Commercial banks have not provided for the credit needs of relatively poor people who are not in a condition to offer loan guarantees but who have feasible and promising investment ideas that can result in profitable ventures (Hollis and Sweetman, 1998). New financial institutions have arisen that are in touch with the local community, that can obtain information about the loan taker at low cost, and that often are not only interested in profit but also on the creation of jobs, women' employment, development, and green issues. These new financial intermediaries, the MFIs, provide small loans to poor people who can offer little or no collateral assets. But the provision of such microcredit is not limited to not-for-profit organisations. Traditional financial institutions can, and often do, make loans to the deprived as part of a socially responsible investment policy.

Microfinance refers to small interest-free loans for low-income and needy people who cannot access commercial banks. Microfinance comprises savings, insurance, loans, and other financial products of minimum value provided to low-income customers (Thorpe et al., 2016). However, for poverty alleviation and improvement of under-served societies, the combination of microfinance financial and non-financial services such as marketing, training, and knowledge is found to be more effective (Taylor and Perezniето, 2014). Therefore, Microcredit plus program is considered not only a way for enhancing economic and social growth, but it also is a useful tool for women to achieve social development that is a significant aspect of improving their status and lifestyle. Moreover, having access to credit is recognized as a substantial component of empowerment because it plays a vital role in enhancing livelihood opportunities for women and enables them to fulfill the responsibility of playing both economic and social functions in society (Chopra, and Muller, 2016).

2.2 Loan Services

Microfinance is generally considered as a means to tackle poverty and enhancing households' wellbeing (Samer et al., 2015). The major argument behind its influence is that households can enhance their economic performance through entrepreneurship and income-generating activities if they are provided with easy access to financial services (Ukanwa et al., 2018). Therefore, microfinance financial services are included in the model as a major independent variable that can be helpful for poor households to fight against economic deprivation. Financial services assist poor households in smoothening their consumption and generating more income thus enhancing their capacity to deal with future economic vulnerability (Robinson, 2001).

Financial services are the economic services provided by the finance industry, which encompasses a broad range of businesses that manage money, including credit unions, banks, creditcard companies, insurance companies, accountancy companies, consumer-finance companies, stock brokerages, investment funds, individual asset managers, and some government-sponsored enterprises (Asmundson, 2012).

The importance of microfinance financial services can be viewed from multiple angles. First, it is an important tool that empowers households by providing them self-employment and helping them in generating more income (Elhadidi, 2018). Second, it also provides better and sustainable livelihood by enhancing the quality of life (Garikipati, 2008). Most importantly, it is crucial for economic development as it promotes entrepreneurship and helps in creating jobs (Mamun and Ekpe 2016).

Loan Products

MFI's mitigate a significant portion of default risk by designing loan products that meet client needs. Generally, micro finance products are categorized under three heads- Micro credit, Micro savings and Micro insurance. The term micro credit is often used in place of micro finance itself. But micro credit is just one aspect of micro financing concept which means to provide micro loans to the low income group people. It covers a wide variety of loans for consumption as well as production such as housing loans, education loans, agricultural loans, loans for small and medium enterprises. It is just the credit and saving aspect of the microfinance that has developed in the recent years. Micro insurance is still in the process of development. Micro insurance products include life and health insurance, crop insurance and assets insurance (Arora and Meenu, 2010).

MFIs' product range in developing countries does not only consist of credit services but also other traditional financial services such as savings and insurance. Savings are widely used by MFIs and a large proportion of savings facilitated are so called forced savings that impose borrowers to save a minimum amount each week in order to get a loan (Brau and Woller, 2004). Even non-financial services, such as education, business development and health advice, are used by many MFIs and there is evidence that the impact on reducing poverty is higher if financial and non-financial services are combined (Zaman, 1999).

MFIs provide similar products and services to their customers as formal sector financial institutions. Often, loans from microfinance institutions have been made to groups of people rather than to individuals as a means of ensuring greater security to the microfinance institution. Although group lending is still prevalent at many microfinance institutions, lending to individuals has become more popular. Today, microfinance institutions may offer diversified loan products, including personal savings options, housing loans, insurance packages and social services, including health education and care. The numerous financial products for the poor all fall under the umbrella of microfinance.

Loan Amounts and Interest Rate

The size of loans has also been found to be a significant predictor of MFI influence on empowerment. Coleman (2006), found that size of loans has often prompted some clients to abandon the microfinance programs arguing that the credits were too small for any reasonable income generating activity. Boiwa (2014) supported that notion that MFI loans to individuals may be too small to invest in higher levels of project investments, and the clients may need to borrow from multiple loans to stitch together a larger loan size.

According to Shariff (2013), the loan sizes to borrowers can be designed into small, medium or big loan sizes. Most microfinance institutions design small and medium loan products to cater demands for low-income and poor household customers. Efficient loan size that fit capability of borrowers to repay reduces portfolio at risk of the gross loan portfolios (Crabb and Keller, 2006).

Interest rate is the rate which is charged or paid for the use of money and is used as a means of compensating banks for taking risk (Cowling and Westhead, 1996). Interest

rates are determined not only by real or potential competition, but also, by the characteristics of borrowers and lenders. For the microfinance sector, Gonzalez (2010) suggested tiny loans with very low default rates incur high administrative expenses that may not be offset by economies of scale. The interest rates charged from borrowers, depends on the length of the term for which loan is taken.

MFIs charged different interest rates based on the donor requirements, for loans of similar size disbursed under different loan schemes funded by different donors (Srinivasan and IPS, 2008). According to Ifeanyi et al. (2014), the interest rate has an effect on the use, repayment of the loan and the overall performance of the business. When the interest rate charged is high, there is a tendency for the borrowers to keep part of the borrowed money to pay the interest or to use the business capital to pay the interest. The impact of high interest rates on the poor has become a widespread concern. Sinclair (2012) concluded that high interest rates are one of the central reasons why MFIs may fail to ensure the wellbeing of the poor and serve as a poverty alleviation tool.

Rosenberg et al. (2009) stated that the interest rate levels set by MFIs are likely to be higher than those set by traditional banks even in the future, due to the higher transaction costs and higher risk faced by MFIs. They argue, however, that a reduction in the rates is to be expected since the industry is now facing more competition, forcing the organizations to compete with lower interest rates.

Loan Terms

Credit or Loan terms have been understood to mean collateral, repayment periods and interest rate (Atieno, 2001). Collateral is the security given by a borrower to a lender as an assurance that the loan will be paid (Atieno, 2001) and operates as a broad insurance against uninsurable risk or intentional default leading to non-payment of the loan (Ayyagari et al., 2003). According to Stiglitz and Weiss (1981), credit terms are part of a general exercise to help determine the extent of risk for each borrower. Woolcock (1999) observed that if the loan term is too short, the borrower fails to generate revenue to enable him/her make repayments while a longer loan term may make the client extravagant and the client may in the end fail to pay back. For successful results, the loan terms should match the cash patterns to help the client budget cash flows (Stiglitz and Weiss, 1981). Periasamy (2009) defined credit period on the other hand is the length of time for which credit is granted and is signed by the borrower as an agreement that he will repay the debt in the stipulated duration. The length of credit period is based on other

factors such as the payment record of the borrower and nature of business (Houston, 2009).

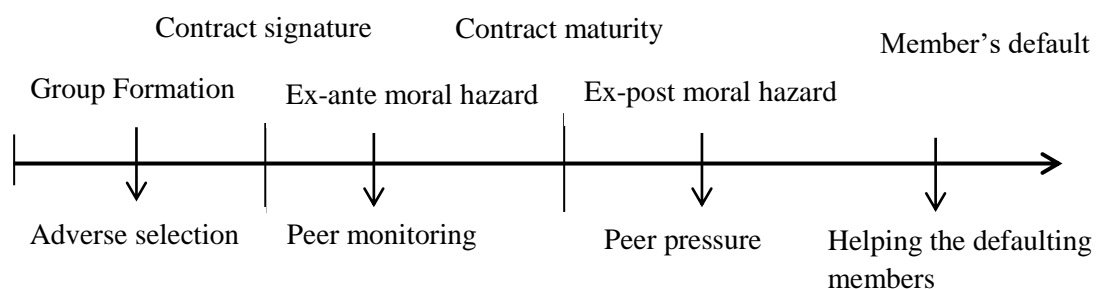
According to Seiden (2008) credit period has a major effect on investment in debtors and this can be felt on the net worth of the company. A longer credit period will boost the sales of a company but on the extreme end will lower the quality of trade credit. According to him a company should take into consideration various factors such as competitors approach, availability of funds, amount of the loan and history of the borrower before determining the credit period to be advanced.

Loan Process and Requirements

Microfinance programs differ between organizations and countries but there are two main orientations by which the lending is performed: individual lending and group-based lending. The group-based lending is by far the most well-known process and a majority of the microfinance borrowers participate in group-based programs (Hermes and Lensink 2007). There is a tendency for commercial MFIs to focus more on individual lending while non-profit organizations focus on group-based lending (Baydas et al, 1997).

Customer satisfaction results in designing appropriate products and services and in the efficiency and effectiveness of the processes creating them. Several processes such as lending process, saving management process, and payments management process characterize the MFIs' operations. Figure (2.1) summarizes the dynamics of the group lending.

Figure (2.1) Dynamics of Group Lending



Source: Kaicer and Aboulaich, (2014)

However, the loan process represents the most typical one. Mastering these processes may improve the individual borrower's social and economic conditions and enhance the MFI sustainability. The choice of lending methodologies may also influence the risk level of an MFI's loan.

Loan Judgement and Credit Management

Credit management is an essential process for any firm that engages in the business of credit. The process when done in the right manner ensures that the customer pays on services delivered. According to Myers and Berkley (2013), credit management practices are the strategies used by an organization to ensure that the level of credit in the firm is acceptable and it is managed effectively. It is part of financial management that comprises of the analysis of credit, rating of credit, classification and reporting of credit. Nelson (2012) defined credit management as the practices used by an organization to manage the sales they make on credit. It is an essential practice for all the organizations that have credit transactions since some have managed their credit activities so well that they have zero credit risk.

Repayment/ Collections

Loan repayment period is the time in which the borrower should repay the loan (Nkundabanyanga, 2014). Rajan (1995) asserted that collection policy is a guide that ensures prompt payment and regular collections. The rationale is that not all clients meet their obligations, some just take it for granted, others simply forget while others just don't have a culture of paying until persuaded to do so.

Many micro finance institutions may send a letter to such individuals (borrowers) when say ten days elapse or phone calls and if payment is not received within thirty days, it may turn over the account to a collection agency. Collection procedure is required because some clients do not pay the loan in time some are slower while others never pay (Stiglitz and Weiss, 1981). Moti et al. (2012) also showed that showed that the collection policy highly affected the repayment of loans.

Microfinance institutions need to have credit collection strategies that would make clients attracted to find it easy to repay their loans without enforcement. Institutions that constantly compels its clients to service their debt reflects weak credit collection policy employed that ensure timely collection of funds from clients. Palladini and Golgberg, (2010) considered credit collection policy as guidelines that establish set of procedures used to collect accounts receivable getting overdue.

Debt collection policy refers to the practices used by a financial institution to collect unpaid amounts (Megginson and Scott 2008). MFIS mostly collect the debt at the group level or if the debt is too high it's handed to a collection agency (Bricham et al., 2012). Agents are always preferred since they have high chances of recovering the debt

compared to the debt collection officers, however the agencies charge high fees which is paid out of the debt recovered (Early, 2006). Microfinance management efforts for making sure strict collection procedures are adhered; helps to keep debtors alert and reduction of portfolio at risk (Warue, 2012).

Compulsory Savings

Compulsory or forced savings are defined as the minimum savings that condition the borrower's access to loans and can be seen as a substitute for collateral imposing a positive inducement for repayment. MFI regulation typically does not allow withdrawal and use of those savings until the loan is repaid (Bruno and Khachatryan, 2020). Compulsory saving is a saving account that a member is forced to deposit into on a regular basis; it is a membership saving, i.e. it must be added to on a monthly basis.

Compulsory savings are driven by the idea that institutions will (1) “teach” members or clients how to save and (2) ensure availability of funds for lending. Members and clients already know how to save; they need institutions that can provide them with the instruments to enable them to do so in financial form (Branch and Brian, 2001).

Compulsory savings systems often required members to deposit small token amounts each week and levied more substantial amounts at source from loans. These compulsory savings were then often “locked-in” until members left the organisation. Compulsory savings generate a loan guarantee fund for the MFI, but drive up the effective cost of loans (Vogel, 1984).

According to Moses (2002), MFIs have tried to resolve the issue of security through offering other forms of collateral. These include group guarantees and compulsory savings. Generally, compulsory savings cannot be withdrawn by members while they have a loan outstanding. In this way, savings act as a form of collateral. Clients are thus not able to use their savings until their loan is repaid. In some cases compulsory savings cannot be withdrawn until the borrower actually withdraws his or her membership from the MFI. Kurgat (2007) stated that the clients viewed compulsory savings as an opportunity to save.

2.3 Socio-Economic Variables

Microfinance is one of the appropriate mechanisms to identify the poor and disadvantaged community and to address poverty by providing income, employment and capacity building opportunity to the poor, disabled, marginalized group and destitute including women and their socio-economic empowerment with the support of social mobilization (Shrestha, 2007). The microcredits in the form of small loans to women are considered a tool for empowering women toward change in their socio-economic conditions (Hassan, 2011).

Microfinance services lead to women's empowerment by positively influencing women's decision-making power and enhancing their overall socio-economic status. Puhazhendhi (2000) found a significant change in the overall socio-economic status of the members in terms of increase in income, improvements in literacy level, improvement in housing facilities and increased level of food security. Nabard (2000) reported an increase in household assets and improvement in housing condition of the beneficiaries of the micro finance programme. Specifically, credit programmes empower women by strengthening their socio-economic roles, increasing their ability to contribute to the family's income, helping them establish their identity outside of the family, and giving them experience and confidence in the public sphere (Sinha, 1998). Singh (2001) observed a 17 percent increase in assets and 28 percent increase in average household income of the members of the microfinance programme.

According to Hassan (2011), beneficiary women have been able to improve their socio-economic conditions through investments in personal assets, business development, productivity and skills development. Such improvements have enabled the women to build social networks, improve their image, invest in family welfare, reduce vulnerabilities and expand their choices. Socio-economic development is a process through which individuals gain control over matters that concern them most for socio-economic empowerment. It is also, a multi-dimensional process that enables people to expand control over their own survives (Nabavi, 2009). According to Taga (2013), poverty can be reduced by making rural people more productive through economic empowerment. The socio-economic empowerment of people plays a very crucial role in the development of a society. Through micro-lending programs, women have become empowered to make choices that have resulted in increased recognition of their productive roles and by extension poverty reduction (Nkpoyen and Bassey, 2012).

Ali and Hatta (2012) expressed microfinance as an entry point for women's socio-economic development. If entire poor women could be approached with MF services, such economic transformation would shape the world positively different by uplifting women economically and socially (Paudel, 2013). The economic strengthening of women augmented their internal and external power to deal with myriad situations. Women in economic activities resulted in a say on personal and household decisions, control over resources, greater self-confidence, and most importantly self-respect (Batliwala, 1994). Kabeer (1999) posited that women were more reliable in case of loan repayment performance than men. Moreover, women's earnings were invested back to the well-being of their household, dependents, and children (Kabeer, 2001). Remarkably, women's handful of earnings had a positive reaction in their daughter's education too (Kireti and Sakwa, 2014). Economic status, decision-making power, knowledge, and self-worthiness of women were linked with participating microfinance (Aruna and Jyothirmayi, 2011). Similarly, Rahman et al. (2017) claimed that microfinance affected the participation of women's empowerment regarding children's education and marriage, household decision, freedom, secure and strong.

There are studies that have considered the impacts of microfinance services on socio-economic welfare. One of the services that has been the focal point in the literature is microcredit. For instance, Wahid (1994) stated that credit services increase the capital available for the poor, thereby increasing their standards of living. It was also agreed that credit is an essential tool in assisting borrowers from avoiding the poverty trap (Mokhtar, 2011).

The credit from microfinance programs also assisted poor households to overcome their liquidity issue and fund investments in agriculture, trades and business, increase income, construct and improve employment among households. Microfinance services are effective developmental tools in poverty reduction, income distribution and achievement of millennium development goals. Salia (2014) analysed the effects of microcredit schemes on welfare in Tanzania, Africa. The findings revealed that participation in microcredit schemes could lead to poverty eradication among women clients and also financed children's education and health services. Besides, microcredit provided more income stream for the poor and liberated them from poverty (Huque 2017).

2.4 Moderating Variables of Age and Education Level

Kabeer (2005) stated that microfinance did not automatically contribute to drastic changes in women's socio-economic status but still with other interventions like education and governmental policies and quotas can transform the whole picture of women. Education is the key factor for women empowerment, prosperity, and development and. Welfare. Discrimination of women from womb to tomb is well known. When women have formal education and enter in the higher education they start doing part time or full-time jobs in organizations, they can have a better control over their lives (Singh and Praveen, 2006).

There is a strong belief among the industry professionals revealed through expert opinion, that the level of education of these women has a moderating effect on their success. Further, according to literature, researchers have found that education has a relationship to the entrepreneurial success of recipients of microfinance services (Mahmood, Hussain, and Matlay, 2014). Similarly, Kingsley (2020) found that the educational level higher than has a significant positive impact on the relationship between Micro Savings and Entrepreneurial Success.

Rahman, et.al (2009) identified that age, education levels of women and levels of income are significant factors that influence women empowerment. This study also confirms that although MF has impact on women's lives but there are other factors as well that are associated to women that affect their decision making ability.

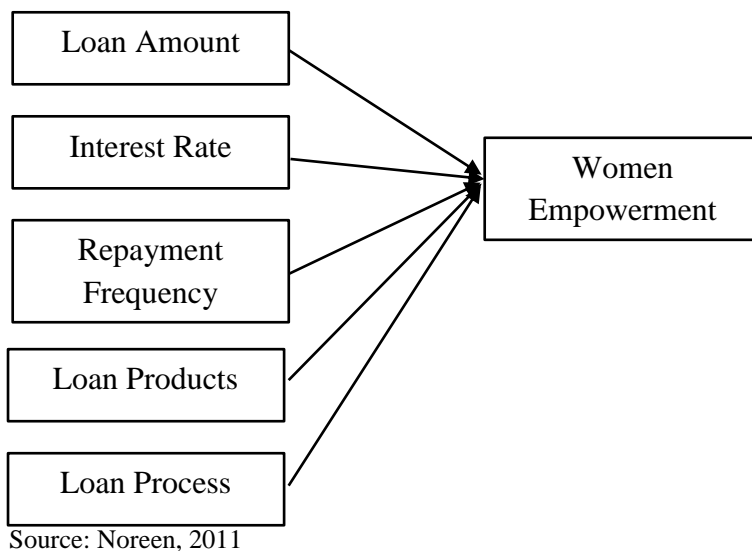
Both age and schooling marginally increased the odds ratio of decision-making power of people, since control in a household is related to seniority and education level. As a woman's access to capital in greater loan amounts increases, she is able to reinvest this money into creating small microenterprises. In addition, greater education and age means access to accounting, math, and other skills needed to run a profitable business or to manage livestock and agrarian enterprises. However, as age increases, women are less likely to start new businesses and more likely to invest time in existing ventures that they have significant lifetime experience in (Kimbrough and Leachman, 2019).

2.5 Previous Studies

Previous studies are important to get the idea of the conceptual framework of the study by focusing variables used in those previous studies. In this study, three previous studies are referred.

Noreen (2011) studied the effect of loan amount, interest rate, and repayment frequency on women empowerment. The study was based on the data of the female population who have been used microfinance services during five years from 2002-2007 and they belong to BahawalPur region. Selected sample size on random basis was 400. The cross section data has been collected by door to door and women interviewed through structured questionnaire. Figure (2.2) presents the conceptual framework of Loan Amount, Interest Rate, and Repayment Frequency on Women Empowerment.

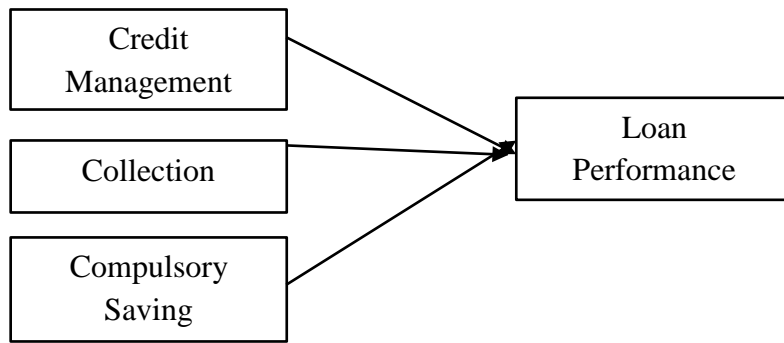
Figure (2.2) Conceptual Framework of Loan Amount, Interest Rate, and Repayment Frequency on Women Empowerment



The multiple linear regression analysis technique was used to explore the effects of different determinants on women empowerment and role of microfinance in female empowerment. According to the findings, loan amount, interest rate, repayment frequency and loan products contribute to the women empowerment at household level. Loan process did not have significant effect on women empowerment.

Njenga (2014) studied to determine the effect of credit management practices on loan performance in Deposit Taking Microfinance institutions in Kenya. The study used a descriptive research design. This study, focused on nine (9) MFIs licensed under the central bank of Kenya. The study used a census study whereby the entire population was studied as opposed to selecting a sample. Figure (2.3) presents the conceptual framework of Credit Management on Loan Performance.

Figure (2.3) Conceptual Framework of Credit Management on Loan Performance

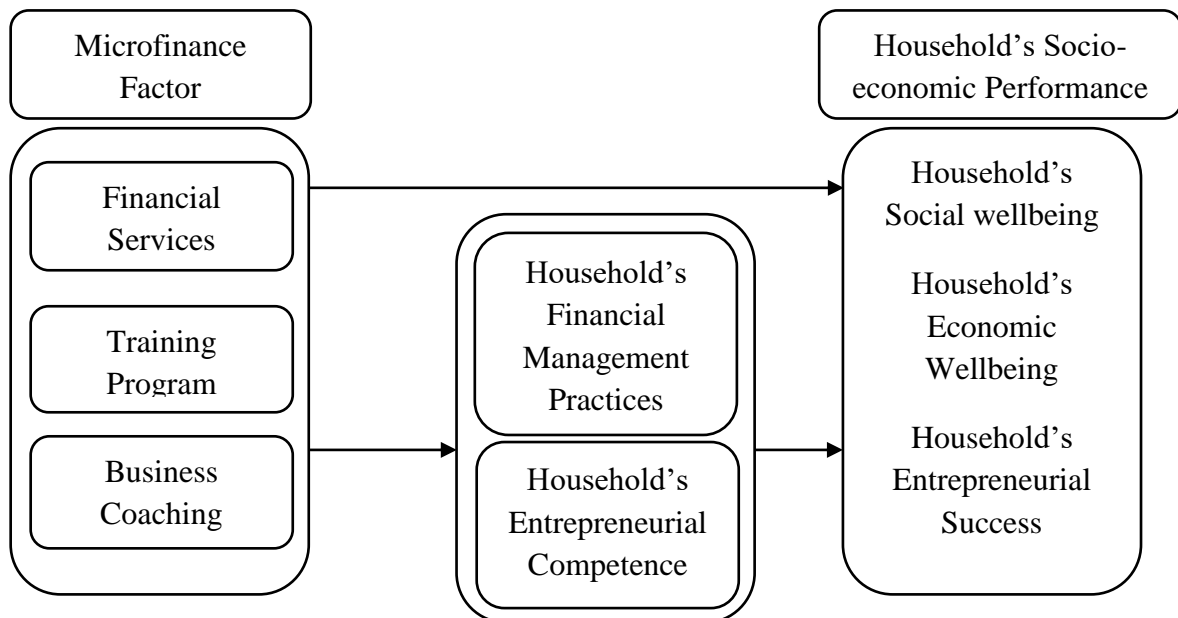


Source: Njenga, 2014

The findings indicated that there was positive relationship between the variables. The findings proved that credit management, collection and compulsory saving have impact on loan performance.

Abdullah et al., (2021) studied the impact of microfinance on households' socio-economic performance. Figure (2.4) Conceptual Framework of Financial Services, Training Programs, Business Coaching on Socio-Economic Performance.

Figure (2.4) Conceptual Framework of Financial Services, Training Programs, Business Coaching on Socio-Economic Performance



Source: Abdullah et al.,(2021)

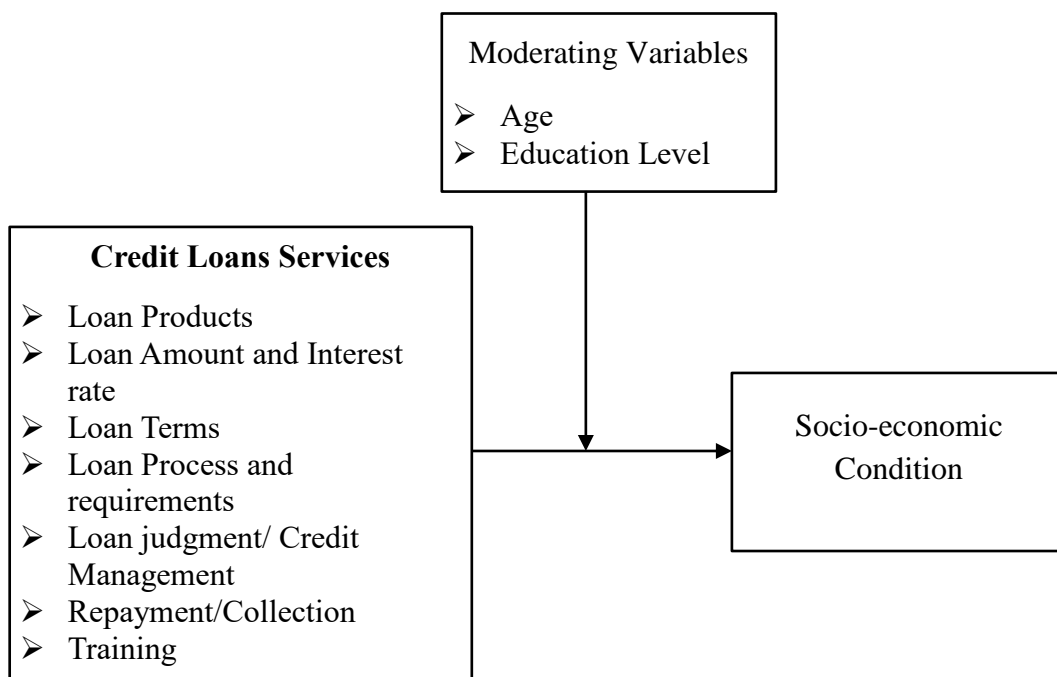
The result from focus-group interviews and systematic literature review proved that microfinance financial services, training programs, and business coaching have correlation with household financial management practices and entrepreneurial

competence. It also found that financial practices and entrepreneurial competencies have socio-economic conditions of the households.

2.6 Conceptual Framework of the Study

According to the theories and previous literature review, the conceptual framework of the study is developed. Figure (2.5) presents the conceptual framework of the study.

Figure (2.5) Conceptual Framework of the Study



Source: Own Compilation (2022)

According to Figure (2.5), financial services represent as independent variables and social-economic is the dependent variables while age and education play as moderating variables. This study intends to find out whether credit loan services of Aeon affect on socio-economic conditions of clients while age and education play as moderating variable. By studying the relationship among independent and dependent variables, Aeon could improve its services for socio-economic of Myanmar women.

CHAPTER (3)

MICROFINANCE PRACTICES OF AEON MICROFINANCE CO., LTD

This chapter describes a profile of Aeon Co., Ltd in order to increase the employability of women in Myanmar by describing its microfinance operations. Additionally, it also comprises the organizational structure of Aeon Co., Ltd and credit loan services of Aeon Microfinance Co., Ltd.

3.1 Profile of Aeon Co., Ltd

Aeon Co., Ltd was founded in Myanmar on 2nd November 2012 under Registration No. 176FC of 2012-2013 delivered by the Directorate of Investment and Company Administration. The company received license No. 0132/2013 from the Myanmar Microfinance Supervisory Enterprise on February 8, 2013, and the company is currently conducting microfinance operations in (44) townships in the Yangon Division and (7) townships in the Mandalay Division. The head quarter is located in Building (D), 2nd Floor, No. 212, Pearl Condo, Kabar Aye Pagoda Road, Bahan Township, Yangon, Myanmar.

Aeon company is fully owned by Thai company named Aeon Thana Sinsap (Thailand) Public Firm Limited which is listed in Thailand. Aeon Financial Service Co., Ltd., a Japanese corporation listed on the Tokyo Stock Exchange, is the ultimate parent business. Aeon Financial Service Co., Ltd., one of the largest credit card issuers and a major provider of consumer credit cards in Japan, currently has more than 30 million card members. More than 180 subsidiaries and linked firms make up the Aeon Group. Aeon Group also conducts business in China, Southeast Asia, and Japan.

In order to foster trust between the local group and Aeon, the firm wants to serve as an example of a good corporate citizen by collaborating with the community for its development and the enhancement of quality of life. Aeon Myanmar Co., LTD is also commercial entity. It must organize its members to borrow money from the firm. Targeting a region is the first stage in doing microfinance business. In most cases, it begins in the area where the workplace is located and then spreads to surrounding areas.

Aeon encourages management methods that are considerate of the local community, anticipate the requirements of the local community, and offer a gathering

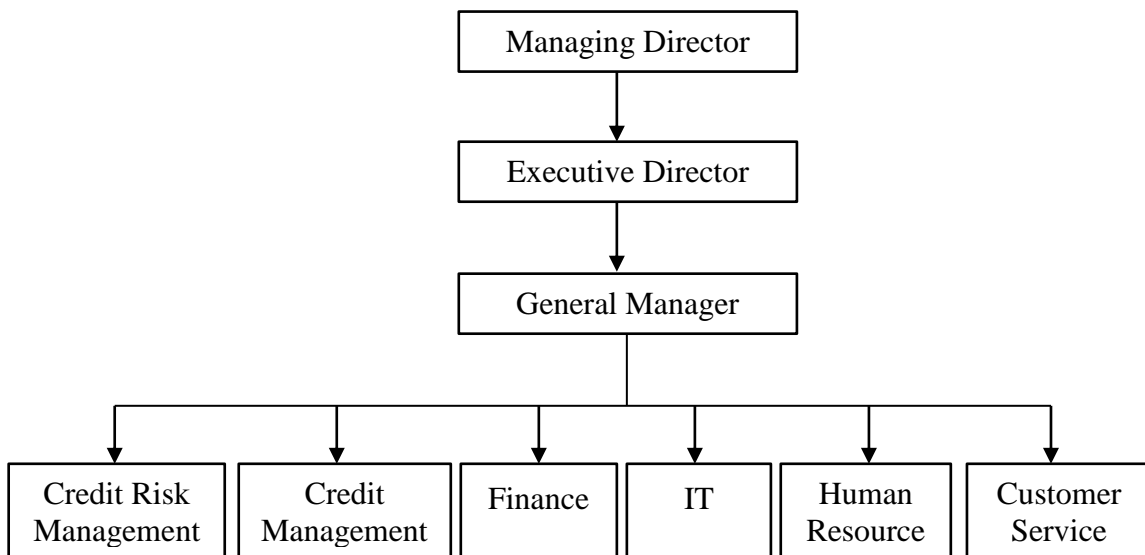
spot for people. working in collaboration with the community to promote environmental conservation initiatives. More significantly, Aeon encourages charitable endeavors in collaboration with residents of the local communities. Aeon is always willing to admire and support the customs and cultures of the surrounding areas.

By the standard perception of Aeon, the company truly respects human rights in terms of their citizenship, race, gender, age, educational level, religion, sexual orientation, physical handicap, or any other factor unrelated to desire, effort, or talent. Each and everyone of the employees are respected and given attention by AEON company. Our objective is to be known as people oriented company and the most amiable company in the world.

3.2 Organization Structure of Aeon Co., Ltd

In the organization, Aeon occupies four main departments. Aeon runs five townships in Yangon region, and it is also planning to build some townships in other cities and regions. The organizational structure of Aeon Co., Ltd. is shown in Figure (3.1).

Figure (3.1) Organizational Structure of Aeon Co., Ltd



Source: Aeon, 2022

Aeon Co., Ltd. now occupies six key departments, as shown in Figure (3.1). Each department serves its own workforce and obligations.

(i) Credit Risk Management Department

This division is in charge of conducting credit assessments to ensure that the data and information are reliable and accurate. To confirm the customers and the correctness of collected information, the loan officer verifies the applicant based on eligibility standards. Additionally, this section is in charge of entering customer data into the AFS system (Aeon Financial System, a proprietary piece of software used to check all consumers and perform analysis). An extensive examination of a company is part of the credit analysis to ascertain its apparent ability to pay.

(ii) Credit Management Department

The credit management department keeps tracks and collects loan repayments. This division occupies a big collection team. It keeps track of some tardy clients, and the team sets up payment terms and guidelines to encourage prompt and complete payment of their bills. All team members have backgrounds in the field of cash management and collection. It guarantees that clients follow the company's credit policy and recovers payments.

(iii) Finance Department

The finance department is in charge of forecasting, preparation, and cash management. Additionally, it is in charge of the funding source and the daily reconciliation report. It must also pay agents' accounts on a weekly basis and obtain regulator approval before capital brought in. This division manages all cash flows and produces annual profit and loss statements.

(iv) IT Department

Data security and integrity are the responsibility of the IT department. Additionally, it is in charge of keeping the network and computers running smoothly. Additionally, this division is in charge of the AFS system (Aeon Financial System Tailor built software), which is bespoke software.

(v) Human Resource (HR) Department

The HR department is liable of organizing the hiring process for all staff levels, including creating job descriptions and specifications, creating job advertisements, shortlisting CVs, and conducting interviews. Regarding to job analyses, annual performance reviews, and workforce planning, it accesses and analyzes the training needs for the operations and HO departments. Additionally, it interacts with the line manager, creates different training programs, such as orientation sessions, produces the appropriate training materials, and manages the training budget. The success of the training program is then monitored and assessed by observing through the written examination, collecting trainee comments, and calculating the outcome.

(vi) Customer Service Department

The call center service is mostly the responsibility of the customer service department. A customer service call center agent answers incoming and outgoing calls. Responding to inquiries and issues regarding the goods or services they offer is one of their responsibilities. Clients must be informed about the Monthly Repayment Schedule, and a monthly collection survey must be prepared for customer contact. It must notify all HODs if customer contact is lost. Customer relationship management (CRM) software is used by customer service department to maintain contact with its customers.

3.3 Credit Loans Services of Aeon Microfinance Co., Ltd

Based on the clients' conditions, Aeon Microfinance Myanmar gives the loan facility with care. Loan terms, loan procedures, loan types, interest rates, repayment frequency, and saving options are all included in the loan facility.

3.3.1 Loan Products

For those who cannot access banks, Aeon Myanmar offers a variety of credit products. Aeon Myanmar's loan products are included in Table (3.1).

Table (3.1) Loan Products of Aeon Myanmar

Sr. No.	Loan Products	Loan Amount (Kyats)	Loan Terms	Interest Rate
1.	S-Loan (Small Loan)	50,000 to 1,000,000	6,9,12,16,18 Months	1.4%
2.	AEON Members Loan (Cash Loan)	50,000 to 2,000,000	6,9,12,16,18 Months	1.3%
3.	AEON Education Loan	50,000 to 2,000,000	6,9,12,16,18 Months	1.3%
4.	Staff Loan	50,000 to 2,000,000	6,9,12,16,18 Months	1.3%
5.	Small Shop Loan (Retailer)	50,000 to 2,000,000	6,9,12,16,18 Months	1.4%

Source: Aeon Myanmar, 2022

There are five loan products available for the Yangon region, as stated in Table (3.1). Those loans consists Personal Loan (also known as Cash Loan), Product Loan (also known as S-Loan), Education Loan, Staff Loan (also known as Employee Loan), AEON Members Loan (also known as Cash Loan), and the Loan who wish to open the small Gregory shop (Outskirts YGN).

3.3.2 Loan Amount and Interest Rate

In accordance with Myanmar's laws and regulations, Aeon offers the cash loan. The maximum yearly effective interest rate permitted under Myanmar Microfinance Law is 28%. Loan amounts offered by Aeon range from 50,000 MMK to 2,000,000 MMK. 1.3% interest is paid on loans and 5% on savings. According to the Aeon payment schedule, the actual repayment amount will be determined.

Customers must pay processing costs based on the loan amount for each application at the agent after the loan is approved; if the application is denied or canceled, there is no obligation to pay. Loans come in a variety of forms, including personal, product, education, employee, and motorcycle loans.

The loan amount for personal loans, education loans, and staff loans ranges from 50,000 MMK to 2,000,000 MMK. The length of the loan can be adjusted accordingly and can range from 6 months to 20 months. The interest rate is 1.3%, and savings are 5%. There is no late fee and a 2% documentation fee.

Aeon offers loans for product loans (S-Loans, or small loans, for things like EA, mobile devices, etc.). Anyone can apply through agents' channels. The loan amount is accessible between 50,000 MMK and 2,000,000 MMK. The length of the loan can be adjusted accordingly and can range from 6 months, 9 months, 12 months, to 20 months.

Savings are 5%, and the interest rate is 1.3%. The late costs are 500MMK each day, and the documentation fee is 2%.

Mandalay is the only city where Aeon offers motorcycle loans. Customers can submit applications at importer and agent stores. The loan's size ranges from 50,000 to 2,000,000 MMK. The length of the loan can be adjusted accordingly and can range from 6 months, 9 months, 12 months to 20 months. Savings are 5%, and the interest rate is 1.3%. The late costs are 500MMK a day, and the documentation fee is 2%. Due to the existing circumstances, the loan for a small shop has not yet been initiated.

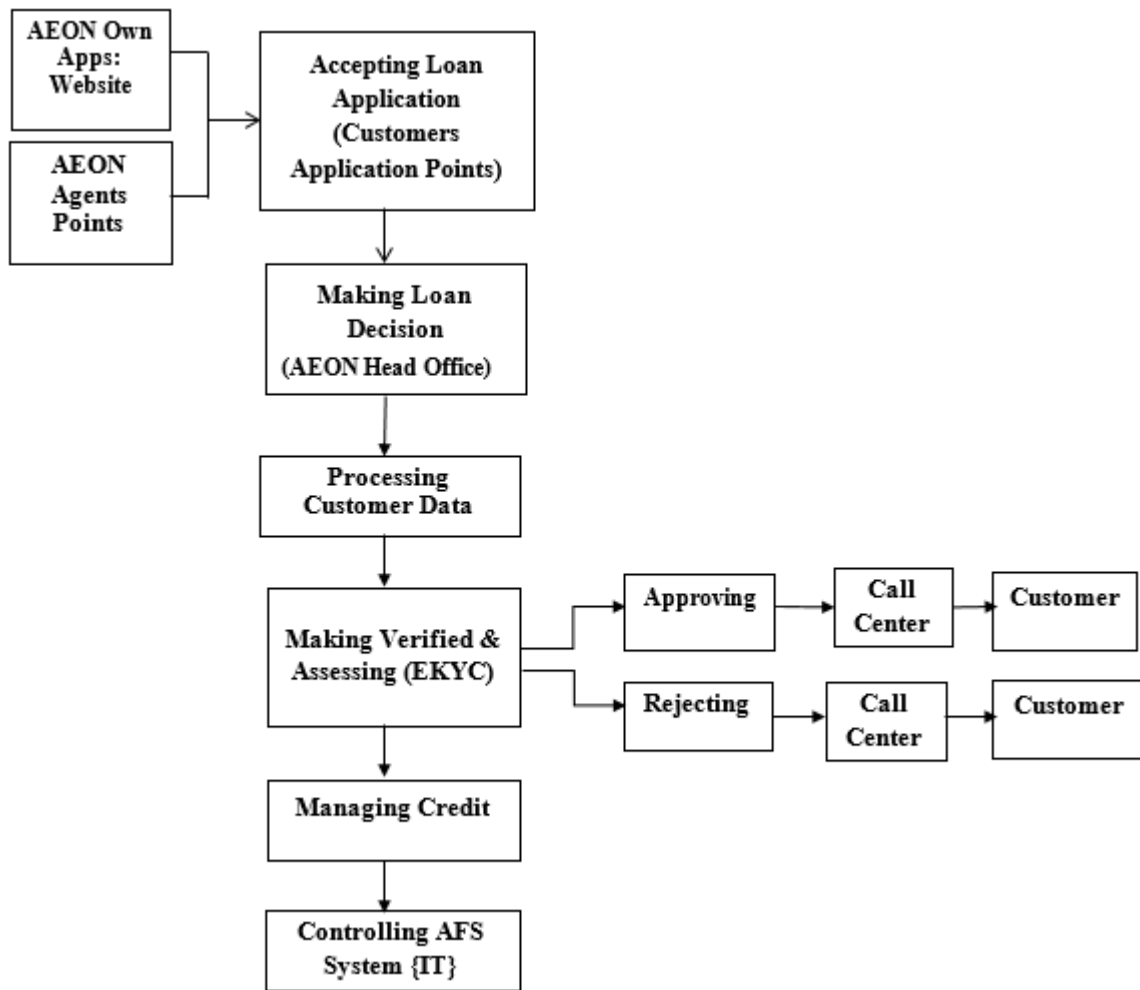
3.3.3 Loan Terms

Loan terms are the conditions and terms that come with borrowing money. Customers and Aeon Co., Ltd. can negotiate the loan terms. Aeon's loan officer carefully examines the potential and repayment capacity of the clients' business. The loan officer will next determine the specific loan terms for each client.

3.3.4 Loan Process and Requirements

The loan from Aeon is able to applied by the customers through specified application points with the necessary paperwork. Both the applicant and the guarantor must be between the ages of 18 and 60.

Figure (3.2) Loan Process of Aeon Microfinance Co., Ltd



Source: Aeon, 2022

Students are not currently eligible to apply for Aeon's S-Loan Scheme based on the company's criteria. The student may submit an S-Loan (Education) application through the specified institute. The typical loan application process takes three to five business days. Old customers or Aeon members can get it finished in a single day. Original NRC, member card on mobile apps, and guarantor are needed for the Aeon loan; nevertheless, bringing any paperwork and guarantor are exceptional for members. The Original NRC, Updated Residential Proof (Original), Updated Income Proof (Original) (If Any Changes from Last Occupation), and Guarantor who must have over 500,000 kyats finance amount are the requirements of the S-Loan application for non-members of Aeon. Customers who are interested in Aeon Co., Ltd.'s financial services need to apply by using their customer application points via the company's website, apps, or all Aeon Agents points. Through authorized S-Loan service providers, customers may apply with the necessary documentation. On the Aeon website, all application points are listed. Aeon

Head Office receives all client data through multiple channels. Following the processing of client data in the EDP (data processing at AFS system), a telephone EKYC non-face/credit assessment is conducted. After evaluation, the call center notifies the clients of the loan's acceptance or denial. Aeon Co., Ltd. maintains its own call center and stores all client information and voice of record (VOC).

3.3.5 Loan Judgment and Client Management

The applicant's workplace and other things are reviewed by the Aeon survey team. However, Aeon does not allow any agent to get involved in the approval process. Only customers who qualify will receive S-Loans from Aeon after thorough review of all submitted information and documentation. The status of the loan application will be sent through SMS to the customer's mobile device by Aeon. The company offers mobile phone number for the further information.

3.3.6 Repayment and Collections

To make payments at banks and agents, the person does not need to have a bank account. Customers can go to the closest banks or representatives with Aeon Logos. KBZ Bank, AYA Bank, UAB Bank, AGD Bank, MAB Bank, True Money, Ongo, Wave Money, and Near Me are the repayment banks and agents that are accessible from both Yangon and Mandalay.

CB Mobile Banking, CB Pay, AYA m-Banking and i-banking, KBZ mobile banking, Wave Money, True Money, Ongo, Near Me, and UAB online banking are all options for mobile banking repayment. Aeon will send e-payment schedule link by SMS to customer mobile number. The customer can check the current monthly payback schedule and detailed information about the repayment procedure at any moment online by clicking on that link.

After the consumer receives the loan from the relevant application point, Aeon will send a single SMS message only one to their mobile device within a week, and they must keep the SMS link open until the payment is completed.

3.3.7 Compulsory Saving

According to the Myanmar Microfinance Law, compulsory saving is collected saving and gained from the customers that are not greater than 5% of the loan distribution amount. Accepting compulsory saving is done to help our clients' lifestyles and improve

their saving habits. The compulsory saving interest rate is 14% annually, in accordance with Myanmar Microfinance Law. Per loan disbursement, a compulsory saving amount of 1 000 MMK is required. Up to the conclusion of the loan term, Aeon will continue to save money from the clients. Customers can withdraw the savings they have made, and Aeon will apply it to the last installment of their loan.

CHAPTER 4

ANALYSIS ON THE EFFECT OF CREDIT LOAN BY AEON MICROFINANCE ON SOCIO-ECONOMIC CONDITIONS OF WOMEN

This chapter analyze the effect of credit loan by Aeon microfinance. There are the demographic data of the respondents, and perceptions of clients towards credit loans of Aeon microfinance. It also presents the effects of credit loans provided by Aeon microfinance on socio-economic conditions of women.

4.1 Research Design

This study aims to identify Credit Loans provided by Aeon Microfinance on Socio-Economic Conditions of Women and analyze the moderating effect of age and education between the credit loans and socio-economic conditions of the women.

Both primary data and secondary data are utilized. Hlaing Tharyar region is selected as people get low income and need financial assistance. There are 180 women clients of Aeon Myanmar at that region. According to Raosoft sampling formula, 123 women clients (about 70 %) are taken as sample population. systematic sampling technique is used in this study. Structured questionnaire with 5-point likert scale is used to collect data. By requesting officials, Myanmar version questionnaires are given to Hlaing Tharyar Aeon's agent to collect data.

4.2 Demographic Data of the Respondents

This section presents the demographic data of the respondents that are important when creating products by focusing market segmentation. Demographic data include gender, age, education levels, and years of using Aeon service. The results are shown by frequency and percentage in Table (4.1).

Table 4.1 Demographic Data of the Respondents

Sr. No.	Item	Category	No. of Respondents	Percent
	Total		123	100
1	Age	≤ 25 years	31	25.20
		26 ~ 35 years	74	60.16
		36 ~ 45 years	11	8.94
		Over 45 years	7	5.69
2	Education Background	No Academic School	5	4.07
		Middle School	24	19.51
		High School	83	67.48
		Bachelor	11	8.94
3	Occupation	General workers	6	4.88
		Retailers	92	74.80
		Dependent	25	20.33
4	Service Experience (year)	Under 1	27	21.95
		1 ~ 3	82	66.67
		4 ~ 6	9	7.32
		Over 7	5	4.07

Source: Survey Data, 2022

According to Table (4.1), 60.16 percent of total respondents are from 26 to 35 years old as they represent the majority group among respondents. Second largest group includes people less than or equal to 25 years old while people from 26 to 45 years old represent 11 percent of total respondents. The minority group contains people over 45 years old. Therefore, the majority of the clients of Aeon Co., Ltd are early adulthood who are typically vibrant, active and healthy.

Majority of the respondents have high school education and they represent the 67.48 percent of total respondents while 19.5 percent of respondents went to middle school. Bachelor degree holder and no formal education represent only 8.94 percent and 4.07 percent respectively. Hence, majority of the respondents has formal education.

Majority of the respondents are retailers who usually sells consumer products in the market or at street. They represent the 74.80 percent of the total respondents. 20.33 percent of women clients work at home by taking loans from Aeon Co., Ltd. The minority group of respondents are general workers. Hence, most women clients get loans from Aeon Co., Ltd for their plans.

Among 123 respondents, majority of the clients has been using Aeon’s credit loans from 1 to 3 years while second largest group has been using those services under 1 year. Minority of women clients has been using Aeon’s credit loans over 7 years. The respondents have enough knowledge about credit loans and services of Aeon Co., Ltd. Therefore, their responses can be reliable regarding credit loans of Aeon Co., Ltd.

There are seven credit loan services in this study. The overall mean score of client perception towards credit loan services of Aeon Co., Ltd is presented in Table (4.2).

Table (4.2) Credit Loan Services

Sr. No.	Credit Loan Services	Mean Score
1.	Loan Products	3.65
2.	Loan Amount and Interest rate	3.72
3.	Loan Terms	3.87
4.	Loan Process and Requirements	3.73
5.	Loan Judgment/ Credit Management	3.51
6.	Repayment/Collection	3.47
7.	Compulsory Saving	3.50
	Overall Mean	3.64

Source: Survey Data (2022)

As shown in Table (4.2), the overall mean score for each credit loan service is more than 3.00. Hence, clients have the positive perception to each service. According to the overall mean score (3.64) for all credit loan services, most clients are satisfied with the credit loan services of Aeon Co., Ltd.

4.3 Customer Perception of Credit Loan Services of Aeon

This section finds out the perceptions of customers towards the credit loans of Aeon Co., Ltd. Structured questionnaire with 5-point likert scale is used to explore the perceptions of customers. The difference between largest and smallest is (5-1=4), and then divided by 5 is (4/5=0.8) which is the interval for mean value interpretation. From 1 to 1.8 represents (strongly disagree), from 1.8 until 2.60 represents (disagree), from 2.61 until 3.40 represents (neutral), from 3.41 until 4.20 represents (agree), from 4.21 until 5.00 represents (strongly agree).

(a) Loan Products

Aeon offers different types of loan products in order to meet the needs of women clients. Suitable products are vital for both clients and microfinance. Perceptions of clients toward loan products are presented in Table (4.3).

Table (4.3) Client Perception of Loan Products

Sr. No.	Client Perception of Loan Products	Mean Score	Std. Dev
1.	Aeon offers various Loan products.	3.71	0.46
2.	Aeon's products and services meet my needs.	3.67	0.47
3.	I am satisfied with the products of Aeon.	3.58	0.61
	Overall Mean	3.65	

Source: Survey Data, 2022

According to Table (4.3), most women clients state that Aeon has many loan products since Aeon offers personal loan (Aeon called cash loan), product loan (Aeon called S -loan), education loan, staff loan (employee loan), and the loan who want to open the small gregory shop (outskirts ygn). It is found that women clients are satisfied with those products because respondents can choose appropriate products and services based on their needs and wants. According to the overall mean score, women clients have good perceptions towards the loan products of Aeon Co., Ltd.

(b) Loan Amount and Interest rate

Loan amount and interest rate are important for clients as people consider whether the loan amount is sufficient for them and whether the interest rate is reasonable. Table (4.4) presents the perceptions of clients towards loan amount and interest rate.

Table (4.4) Client Perception of Loan Amount and Interest rate

Sr. No.	Client Perception of Loan Amount and Interest rate	Mean Score	Std. Dev
1.	No penal interest charge for something unexpected	3.60	0.73
2.	Interest rate charged is reasonable.	3.74	0.57
3.	I can get enough money to establish my plan.	3.85	0.49
4.	Loan amount is very important.	3.68	0.78
	Overall Mean	3.72	

Source: Survey Data, 2022

According to Table (4.4), most women clients state that they get enough money from Aeon Co., Ltd to establish their plans as Aeon offers loan amount between 50,000 MMK to 2,000,000 MMK. Clients state that interest rate is also reasonable because the interest rate is only 1.3 percent. It is found that loan amount is important for clients since people need to have enough money to establish their plans. According to the overall mean score, women clients have good perceptions towards loan amount and interest rate of Aeon Co., Ltd.

(c) Loan Terms

Loan terms refers to the terms and conditions involved when borrowing money. It is important that clients have clear understanding of loan process. Aeon offers loan terms that are convenience for its clients. Perceptions of clients toward loan terms are presented in Table (4.5).

Table (4.5) Client Perception of Loan Terms

Sr. No.	Client Perception of Loan Terms	Mean Score	Std. Dev
1.	Aeon loan terms are reasonable.	3.82	0.61
2.	Loan officers/lenders explain the terms and conditions of the loan thoroughly.	4.15	0.36
3.	Aeon loan terms do not encourage the customer to borrow more than their requirement.	4.00	0.42
4.	Aeon makes customized loan terms according to borrower's situations.	3.50	0.59
	Overall Mean	3.87	

Source: Survey Data, 2022

According to Table (4.5), most women clients acknowledge that loan officers thoroughly explain the loan terms before they took the loans. Aeon makes sure that every client have a clear understanding of loan policy or terms before they make loan decisions. In addition, respondents agree that loan terms do not lead to over debt because Aeon convince clients about the terms clearly so that clients can evaluate loan amounts and repayments. Respondents think that loan terms are reasonable as Aeon has customized loan terms. According to the overall mean score, women clients have a good perception towards loan terms of Aeon Co., Ltd.

(d) Loan Process and Requirements

Loan process and requirements are important for clients in order to apply the loans. Clients usually look for the easy loan process and fewer paper works. Perceptions of clients towards loan process and requirements are presented in Table (4.6).

Table (4.6) Client Perception of Loan Process and Requirements

Sr. No.	Client Perception of Loan Process and Requirements	Mean Score	Std. Dev
1.	It is easy to apply the loan at Aeon.	3.75	0.44
2.	The contract of Aeon is understandable and clear.	3.71	0.64
3.	The procedure of obtaining loans from Aeon is easier than conventional banking.	3.76	0.71
4.	Aeon do not ask many documents during loan applying process.	3.78	0.61
5.	Aeon does not ask collateral for loans.	3.74	0.73
6.	Aeon does not ask many documents during loan applying process.	3.67	0.62
	Overall Mean	3.73	

Source: Survey Data, 2022

According to Table (4.6), most women clients state that Aeon do not ask many documents when they applied loans because clients just need to show original NRC, updated residential proof (original), updated income proof original, and guarantor who has over 500,000 kyats finance amount. Clients feel that loan procedure of Aeon is easier than that of conventional banking because the regular loan process takes place 3 to 5 working days while Aeon members or old customer can get it done within 1 day.

According to the overall mean score, women clients have a good perception towards loan process and requirements of Aeon Co., Ltd.

(e) Loan Judgment/ Credit Management

The repayment ability is related to loan judgement or credit management of the microfinance. Perceptions of clients towards loan process and requirements are presented in Table (4.7).

Table (4.7) Client Perception of Loan Judgment/ Credit Management

Sr. No.	Client Perception of Loan Judgment/ Credit Management	Mean Score	Std. Dev
1.	Loan officers suggest clients not to over debt.	3.40	0.77
2.	Aeon always alerts the clients about loan progress.	3.69	0.62
3.	Aeon shares the financial literacy tactics to clients to manage their finance.	3.43	0.63
	Overall Mean	3.51	

Source: Survey Data, 2022

According to Table (4.7), most women clients state that Aeon always alert the loan progress so that clients can manage loans on time. Aeon has survey team to check applicant and required documents then send SMS to customer' mobile for the status of loan progress. Clients also stated that they get financial knowledge from Aeon Co., Ltd as the microfinance tries to help clients to develop their business. It is found that loan officer help clients not to take more than their repayment ability. According to the overall mean score, women clients have a good perception towards loan judgment/ credit management of Aeon Co., Ltd.

(f) Repayment/Collection

Fair or flexible repayment/collection policy is important for both clients and microfinance. Perceptions of clients towards repayment/collection are presented in Table (4.8).

Table (4.8) Client Perception of Repayment/Collection

Sr. No.	Client Perception of Repayment/Collection	Mean Score	Std. Dev
1.	When I have problems, Aeon is sympathetic and reassuring the repayment frequency.	3.46	0.66
2.	Company has various repayment schedules based on the capital.	3.44	0.63
3.	Repayment frequency is fair.	3.50	0.59
Overall Mean		3.47	

Source: Survey Data, 2022

According to Table (4.8), most women clients state that repayment frequency of Aeon is fair as loan officers carefully evaluate the repayment schedules for each customer. Respondents agree that Aeon is sympathetic if they miss repayment schedules sometimes. Aeon reevaluates the repayment schedules without any fines if customer sometimes misses the exact date as the company has various repayment schedules based on loan amount. According to the overall mean score, women clients have a good perception towards Repayment/Collection of Aeon Co., Ltd.

(g) Compulsory Saving

Compulsory or forced savings are the minimum savings required the borrower's access to loans and can be seen as a substitute for collateral. Perceptions of clients towards Compulsory savings are presented in Table (4.9).

Table (4.9) Client Perception of Compulsory Saving

Sr. No.	Client Perception of Compulsory Saving	Mean Score	Std. Dev
1.	Compulsory saving amount set by Aeon is relevant.	3.45	0.70
2.	I have got the saving practice because of compulsory saving.	3.50	0.50
3.	I believe that savings are allowed to withdraw at the end of the loan term.	3.56	0.50
Overall Mean		3.50	

Source: Survey Data, 2022

According to Table (4.9), most clients believe that Aeon will issue the savings at the end of loan term. Clients can withdraw the saving amount that Aeon will offset the

saving amount against the last payment of the loan term. It is also found that clients have saving habits because of compulsory saving practice. Clients state that compulsory saving amount of Aeon is relevant since a compulsory saving amount is 1,000 MMK per loan disbursement. According to the overall mean score, women clients have a good perception towards compulsory savings of Aeon Co., Ltd.

4.4 Socio-Economic Conditions

Socio-economic well-being is the mix of social and economic factors achieved after taking loans. The factors include earning, decision making power, achieving respect, self-confidence, healthcare, household expenditures, and living standards etc. Socio-Economic Status of the women clients after taking loans from Aeon Co., Ltd is presented in Table (4.10).

Table (4.10) Client Perception of Socio-Economic Conditions

Sr. No.	Client Perception of Socio-Economic Conditions	Mean Score	Std. Dev
1.	I am able to earn money for family.	3.93	0.66
2.	I can spend my personal income any way that I want.	3.76	0.43
3.	My income is increased after taking loan.	3.80	0.40
4.	I get status and decision making power within the household.	3.79	0.67
5.	My family members share important information with me.	3.67	0.71
6.	I gain respect and prestige from relatives and community members.	3.73	0.63
7.	I used to meet relatives/friends.	3.78	0.52
8.	Living standard has improved.	3.54	0.75
9.	I have more self-confidence after taking loan.	3.74	0.44
10.	There is a positive impact on family health.	3.59	0.70
11.	I control on Household expenditures.	3.72	0.52
12.	I can save my money/open a bank account without permission from my husband/household head.	3.66	0.65
13.	I can buy the basic needs of the household.	3.83	0.49
	Overall Mean	3.73	

Source: Survey Data, 2022

According to survey data, most clients can earn money for their family because they get enough money from Aeon to establish their plans. It is also found that many clients can buy the basic needs of the household since their income is increased after taking the loan. Clients get financial literacy from Aeon and have saving practice. In addition, clients state that they get decision power and role in the family. The respondents used to meet relatives/friends at their free time as their financial status has improved. According to the overall mean score, socio-economic status of the women clients have been somewhat improved after taking loans from Aeon Co., Ltd.

4.5 Analysis on the Effect of Credit Loan on Socio-Economic Conditions

In this section, the effects of credit loan on socio-economic conditions of women clients are examined by applying multi-linear regression in SPSS. Regression result is shown in Table (4.11).

Table (4.11) Effect of Credit Loan on Socio-Economic Conditions

Variable	Unstandardized Coefficients		β	t	Sig
	B	Std Error			
(Constant)	.452	.103		4.367	.000
Loan Products	.490***	.034	.455	14.350	.000
Loan Amount and Interest Rate	.344***	.070	.398	4.928	.000
Loan Terms	.232***	.048	.183	4.829	.000
Loan Process and Requirements	.147**	.074	.164	1.982	.050
Loan Judgment/ Credit Management	.219***	.073	.258	2.996	.003
Repayment/Collection	.050**	.021	.059	2.364	.020
Compulsory Saving	.076	.059	.077	1.274	.205
R Square	.982				
Adjusted R Square	.981				
F Value	904.847***				

Source: Survey Data, 2022

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

In this section, socio-economic conditions of women clients is regressed with seven financial services of Aeon Co., Ltd. According to Table (4.11), since the value of adjusted R square is 0.981, it can be concluded that this specified model can explain 98.1 percent of variation of socio-economic status which is predicted by financial services. As overall significance of the model, F value is highly significant at 1 percent level, this model can be said valid.

Among seven financial services, six financial services are significant with socio-economic status of women clients while compulsory saving does not have a significant effect on economic status of women clients because clients can improve their socio-economic conditions without using compulsory saving because that saving could be withdrawal at the end of loan term. Hence, compulsory saving does not affect on the socio-economic conditions of the clients.

Loan products has the expected positive sign, and the coefficient of the variable is strongly significant at 1 percent level. The positive effect means that the increase in loan products leads to more socio-economic status of women clients because Aeon offers various loan products and clients can choose suitable product for them based on their plans. By taking appropriate loans, women clients can establish business and earn money for their wellbeing. Therefore, women clients have a positive perception towards loan products of Aeon Co., Ltd. The increase in loan products by 1 unit will also raise the socio-economic conditions of women by .490 unit.

Loan amount and interest rate have the expected positive sign, and the coefficient of the variable is strongly significant at 1 percent level. The positive effect means that the increase in loan amount and interest rate leads to more socio-economic status of women clients because Aeon offers loan amount between 50,000 MMK to 2,000,000 MMK enough to establish client's plan. In addition, clients usually do not have burdens for loans since interest rate is only 1.3 percent. Therefore, socio-economic status of women clients is improved and clients have a positive perception towards loan amount and interest rate of Aeon Co., Ltd. The better offer in loan amount and interest rate by 1 unit will also raise the socio-economic conditions of women by .344 unit.

Loan terms have the expected positive sign, and the coefficient of the variable is strongly significant at 1 percent level. The positive effect means that the increase in loan terms leads to more socio-economic status of women clients because Aeon offers customized loan terms and loan officer thoroughly explains the loan terms so that clients can choose the right loan products for their plans. Moreover, Aeon makes sure that clients

do not have over debt. Therefore, clients have a positive perception towards loan terms of Aeon Co., Ltd. The more flexible in loan terms by 1 unit will also raise the socio-economic conditions of women by .232 unit.

Loan process and requirement have the expected positive sign, and the coefficient of the variable is strongly significant at 5 percent level. The positive effect means that the increase in loan process and requirement leads to more socio-economic status of women clients. To get the loans, clients just need to show original NRC, updated residential proof (original), updated income proof original, and guarantor who has over 500,000 kyats finance amount. In addition, applying loan takes only 2 to 5 working days for new clients while it will take within 1 day for old customers. Therefore, clients can establish their plans fast and have a positive perception towards loan process and requirement of Aeon Co., Ltd. The more flexible in loan process and requirement by 1 unit will also raise the socio-economic conditions of women by .147 unit.

Regression shows that loan judgement or credit management has the expected positive sign, and the coefficient of the variable is strongly significant at 5 percent level. The positive effect means that the increase in loan judgement or credit management leads to more socio-economic status of women clients. Aeon always alert the loan progress shares financial knowledge to help clients to develop their business. Therefore, clients usually can make the repayment according to the schedules. Hence, they have a positive perception towards loan judgement or credit management of Aeon Co., Ltd. The better in loan judgement or credit management by 1 unit will also raise the socio-economic conditions of women by .219 unit.

Repayment or collection has the expected positive sign, and the coefficient of the variable is strongly significant at 5 percent level. The positive effect means that the more flexible in loan judgement or credit management leads to more socio-economic status of women clients. Loan officers carefully evaluate the repayment schedules for each customer. In addition, Aeon is sympathetic if clients miss repayment schedules sometimes. Hence, clients have a positive perception towards repayment or collection procedure of Aeon Co., Ltd. The better in loan judgement or credit management by 1 unit will also raise the socio-economic conditions of women by .050 unit.

According to the standardized coefficient (Beta) score, loan product has the largest value among six significant explanatory variables. It means that loan product is the most influencing service factor for women clients of Aeon Co., Ltd. People usually look

for the loans that are matched to their needs and wants. Therefore, loan product is the most important factor for them when they take loans from specific microfinance.

4.6 Moderating Effects of Demographic Characteristics on the Relationship between Financial Services and Socio-Economic Conditions

Demographic characteristic can affect the ways of doing business. This section analyses the demographic characteristic (age, and education) as the moderator between financial services and socio-economic status of women clients.

Moderating Effects of Age on the Relationship between Credit Loan Services and Socio-economic Variables

Age can affect the loan decision process and the ways of doing business. Table (4.12) presents the moderating effects of age on the relationship between financial services and socio-economic status of women clients.

Table (4.12) Moderating Effects of Age on the Relationship between Credit Loan Services and Socio-economic Variables

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
(Constant)	.744	.150		.000	1.619	.340		.000
LP	.478***	.034	.444	.000	.601***	.197	.558	.003
LAandInt	.365***	.069	.423	.000	1.069**	.438	1.239	.016
LTerm	.263***	.048	.208	.000	.198***	.061	.156	.002
LP and Req	.162**	.072	.180	.028	1.515***	.419	1.688	.000
LJudge	.227***	.071	.267	.002	.069	.186	.082	.710
RepandCol	.060***	.021	.070	.006	.055	.085	.065	.522
CSav	.084	.058	.086	.149	.184	.161	.187	.255
Age	.047**	.018	.067	.010	.099**	.045	.142	.029
LP_Age					.091	.098	.292	.354
LA and Int_Age					.517***	.155	2.000	.001
LTerm_Age					.074*	.038	.211	.056
LP and Req_Age					.389***	.132	1.559	.004
LJudge_Age					.078	.101	.237	.444
RepandCol_Age					.031	.055	.044	.576
CSav_Age					.075	.065	.206	.250
Δ R Square					.005			
R Square	.983				.988			
Adjusted R Square	.982				.986			
F Value	833.181***				593.618***			

Source: Survey Data, 2022

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

LP = Loan Products, LAandInt = Loan Amount and Interest rate, LTerm = Loan Terms, Loan Process and Requirements, LJudge = Loan judgment/ Credit Management, RepandCol = Repayment/ Collection, CSav = Compulsory Saving

According to the regression result of Model 2, a partial positive moderating effect is observed where age reinforces the relationship between loan amounts and interest rate and socio-economic status of women clients. Loan amounts and interest rate alone has a positive significant effect on socio-economic status of women clients even there is no age variable. When age plays as the moderating factor, it reinforces the effect of loan amounts and interest rate on socio-economic performance of women clients. When the good loan amounts and interest rate is increased by 1 unit, it will increase socio-economic performance by .517 unit while age plays as a moderating factor.

Regression model 2 also indicates that there is a partial positive moderating effect where age reinforces the relationship between loan terms and socio-economic status of women clients. Loan terms alone has a positive significant effect on socio-economic status of women clients even there is no age variable. When age plays as the moderating factor, it reinforces the effect of loan terms on socio-economic performance of women clients. When the good loan terms is increased by 1 unit, it will increase socio-economic performance by .074 unit while age plays as a moderating factor.

According to regression result of Model 2, a partial positive moderating effect of age is detected between loan Process and Requirements and socio-economic status of women clients. Loan Process and Requirement alone has a positive significant effect on socio-economic status of women clients even there is no age variable. When age plays as the moderating factor, it reinforces the effect of loan process and requirements on socio-economic performance of women clients. When the good loan process and requirements is increased by 1 unit, it will increase socio-economic performance by .389 unit while age plays as a moderating factor.

According to the model 2, age does not have a moderating effect on other financial services and socio-economic status of women clients. In this case, loan product alone has direct positive relationship with socio-economic status of women clients. When age plays as a moderating factor, the regression result shows that there is no moderating effect between loan products and socio-economic performance. According to the age, people can evaluate the potentials of business by taking loans.

(b) Moderating Effects of Education on the Relationship between Credit Loan Services and Socio-economic Variables

Education can affect the selection of loans and business effectively. Table (4.13) presents the moderating effects of education on the relationship between financial services and socio-economic status of women clients.

Table (4.13) Moderating Effects of Educational Background on the Relationship between Credit Loan Services and Socio-economic Variables

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
LP	.524	.177		.004	3.404	.667		.000
LAandInt	.486***	.035	.452	.000	1.564***	.450	1.453	.001
LTerm	.335***	.072	.388	.000	1.087*	.654	1.260	.099
LP and Req	.243***	.053	.191	.000	.106	.146	.084	.469
LJudge	.160**	.079	.178	.044	1.460**	.669	1.626	.031
RepandCol	.220***	.073	.258	.003	.191	.347	.225	.583
CSav	.055**	.023	.065	.019	.146	.170	.173	.392
LP	.074	.060	.075	.218	.122	.355	.124	.731
LAandInt	.012	.023	.014	.611	.085*	.045	.103	.062
LP_Edu					.280**	.113	1.177	.015
LAandInt_Edu					.343*	.194	1.551	.080
LTerm_Edu					.040	.044	.141	.362
LP and Req_Edu					.256	.191	1.201	.182
LJudge_Edu					.020	.106	.081	.847
RepandCol_Edu					.048	.055	.129	.379
CSav_Edu					.034	.089	.134	.702
Δ R Square					.006			
R Square	.982				.989			
Adjusted R Square	.981				.987			
F Value	786.678***				624.353***			

Source: Survey Data (2022)

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

LP = Loan Products, LAandInt = Loan Amount and Interest rate, LTerm = Loan Terms, Loan Process and Requirements, LJudge = Loan judgment/ Credit Management, RepandCol = Repayment/ Collection, CSav = Compulsory Saving, Edu = Education

According to the regression result of Model 2, a partial positive moderating effect is observed where education reinforces the relationship between loan products and socio-economic status of women clients. Loan products alone has a positive significant effect on socio-economic status of women clients even there is no education variable. When age plays as the moderating factor, it reinforces the effect of loan products on socio-economic performance of women clients. When the good loan products are increased by 1 unit, it

will increase socio-economic performance by .280 unit while education plays as a moderating factor.

Result of regression model 2 also indicates that there is a partial positive moderating effect where education fortifies the relationship between loan amount and interest rate and socio-economic status of women clients. Loan amount and interest rate alone has a positive significant effect on socio-economic status of women clients even there is no education variable. When age plays as the moderating factor, it reinforces the effect of loan terms on socio-economic performance of women clients. When the good loan amount and interest rate is increased by 1 unit, it will increase socio-economic performance by .343 unit while education plays as a moderating factor.

According to the regression model 2, education does not have a moderating effect on other financial services and socio-economic status of women clients. Specifically, loan process and requirements alone has direct positive relationship with socio-economic status of women clients. When education plays as a moderating factor, the regression result shows that there is no moderating effect between loan process and requirements and socio-economic performance of women clients.

CHAPTER 5

CONCLUSION

In this chapter, the findings and discussions, suggestions and recommendations and need for further research are presented. Based on the findings, it is suggested how to improve credit loan (financial services) of Aeon Co., Ltd to improve socio-economic status of women clients.

5.1 Findings and Discussions

The main objectives of this study are to identify the financial services provided by Aeon Microfinance Myanmar, to describe the Credit Loans provided by Aeon Microfinance Myanmar and to examine the effects of Credit Loans provided by Aeon Microfinance on Socio-Economic Conditions of Women. Primary data are acquired by collecting customer survey collected by using a structured questionnaire from 123 women clients of Aeon with systematic sampling technique. It is found that majority of the respondents are females who are from 26 to 35 years old while second largest group contains less than or equal to 25 years old.

According to the findings, among 7 credit loan services, loan terms achieve the highest mean value (3.87). It indicates that Aeon credit loan services meet the needs of women clients. Repayment/ Collection gets the lowest mean score (3.47). Aeon repayment/collection practices do not meet the needs and wants of the women clients.

Regarding loan amount and interest, it is found that most women clients get enough money from Aeon Co., Ltd to establish their plans. Clients also feel that interest rate is reasonable. Therefore, women clients have positive perceptions towards loan amount and interest rate of Aeon Co., Ltd.

About loan terms, clients receive detail explanation from loan officer about loan terms for their plans. Clients state that loan terms are reasonable as Aeon has customized loan terms. Thus, women clients have positive perceptions towards loan terms of Aeon Co., Ltd.

As regards loan process and requirements, it is found that clients do not need to follow many processes and do not need to pay many documents. In addition, loan process

takes only 2 to 5 working days for new clients while it will take within 1 day for old customers. Therefore, women clients have a positive perception towards loan process and requirement of Aeon Co., Ltd.

Regarding loan judgement or credit management, Aeon always alert the loan progress so that clients can manage loans on time. It is found that women clients get financial knowledge from Aeon Co., Ltd. In addition, loan officer helps clients not to take more than their repayment ability. Hence, clients have a positive perception towards loan judgement or credit management of Aeon Co., Ltd.

Relating to repayment/collection, most clients perceive that repayment frequency of Aeon is fair. Clients state that Aeon is sympathetic even if they miss repayment schedules sometimes. Aeon reevaluates the repayment schedules without any fines. Hence, women clients have a good perception towards Repayment/Collection of Aeon Co., Ltd.

Most clients believe that Aeon Co., Ltd will issue the savings at the end of loan term. It is also found that clients have saving habits because of compulsory saving practice. Women clients have a good perception towards compulsory savings of Aeon Co., Ltd.

After taking loans from Aeon Co., Ltd, most clients can earn money for their family and can buy the basic needs of the household. Clients get decision power and role in the family. They used to meet relatives/friends at their free time as their financial status has improved. It is found that socio-economic status of the women clients have been somewhat improved after taking loans from Aeon Co., Ltd.

Regression result reveals that among seven financial services, six services (loan products, loan amounts and interest, loan terms, loan process and requirements ,loan judgment/ credit management and repayment/collection) have the significant positive effect on socio-economic conditions of women while compulsory saving does not have significant effect on socio-economic conditions of women. Among those significant financial services, loan product is most influencing factor because respondents have to select right loan products based on their plans.

It is found that only compulsory saving does not have the enough significant within 10 percent level because clients can improve their socio-economic conditions without using compulsory saving because that saving could be withdrawal at the end of loan term. Hence, compulsory saving does not affect on the socio-economic conditions of the clients.

Regarding age moderating variable, a partial positive moderating effect of age is observed where age reinforces the relationship between loan amounts and interest rate and socio-economic conditions of women clients. It is also found that when age plays as the moderating factor, it reinforces the effect of loan terms on socio-economic performance of women clients. Moreover, a partial positive moderating effect of age is detected between loan process and requirements and socio-economic status of women clients.

Concerning education moderating variable, education reinforces the relationship between loan products and socio-economic status of women clients. Education also fortifies the relationship between loan amount and interest rate and socio-economic conditions of women clients.

5.2 Suggestions and Recommendations

To support the better socio-economic conditions of the clients, Aeon Co., Ltd could improve its financial services based on the findings. Aeon should focus 26 to 35 years old retailers by offering attractive financial services according to their business nature.

Aeon Co., Ltd should pay top priority to product loans as it is the most influencing financial service factor on socio-economic status of women clients. Aeon should offer more product loans according to the retailer business types so that the products will be better matched with the needs and wants of the clients.

Regarding loan amount and interest, Aeon should monitor the price increases and update reasonable loan amount so that clients could establish their plan with enough money. In addition, the company should reduce or give exemption the interest rate during crisis time so that clients should be in business.

For loan terms, Aeon should evaluate the loan terms for new client by referring the previous successful cases so that company could offer more relevant loan terms to clients. Then, Aeon should offer flexible and customized loan terms based on the plan of individuals. In addition, loan officer should make clear about the loan terms before clients take the loans.

To offer better loan process and requirements, Aeon should reduce the process and requirements during Covid-19 pandemic by surveying which factors should be

reduced for loan process. Moreover, Aeon should accept the new clients with fewer requirements if existing or old clients recommend for new clients.

Aeon should arrange the seminars for existing or potential clients how the old customers manage their credits and business. In addition, Aeon should support clients how they should save money everyday for the repayments so that clients will be able to meet the schedule. Aeon should appoint financial planners to support for the client business.

For repayment collection, Aeon should set the repayment collection schedule according to the business nature and abilities of clients. Furthermore, the company should regularly remind the clients alerts about repayment schedules so that clients will be able to pay according to schedule. During pandemic and economy downturn, Aeon should hold repayment collections for the convenience of clients.

After granting the loans, Aeon should continue supporting the business development ideas like marketing or financial planning for clients. By arranging knowledge sharing group in which people doing similar business can share their knowledge and request idea.

Although compulsory saving does not have significant effect on socio-economic conditions of the clients, it is a good habit and can get lump sum withdrawal. By compulsory saving, clients can extend their business or have extra money for wellbeing. Thus, Aeon and Government officials should promote saving habits among people.

Finally, Aeon should focus age and education factors when developing product ideas. Loan officials should recommend suitable business idea and loan products based on the age and education of the clients. This will greatly improve the potentials of the clients.

5.3 Need for Further Research

This thesis focuses only on financial services of Aeon Company Ltd. Hence, this study pays attention the perceptions of clients towards credit loans of Aeon Company Ltd. It does not cover other microfinance institutions. This study can be improved if further study focuses the financial services of other microfinance institutions so that the further study will cover the whole microfinance industry in Myanmar. In addition, it is worthwhile if the further study focuses a parallel analysis of women with the men. That study could also be incorporated to compare the impact of microfinance on men and women. MFIs can use those data to eradicate poverty of people in Myanmar.

REFERENCES

- Abdullah, W. M., Zainudin, W. N., Haat, M. H., & Ismail, S. B. (2021). The Impact of Microfinance on Households' Socioeconomic Performance: A Proposed Mediation Model. *Journal of Asian Finance Economics and Business*, 8(3), 821-832.
- Ali, I. & Hatta, Z. A. (2012). Women's empowerment or disempowerment through microfinance: evidence from Bangladesh. *Asian Social Work and Policy Review*, 6(2), pp. 111-121
- Arora, P. (2006). *The Poor Don't Need Another Prophet: A People-Centered Approach to Microfinance and Education in Bolivia*. New York: Columbia University.
- Arora, S., & Meenu, M. (2010). Microfinance Intervention-An insight into related literature with special reference to India. *American Journal of Social and Management Sciences*, 2151-1559
- Aruna, M. (2011). The role of microfinance in women empowerment : a study on the SHG bank linkage program in Hyderabad (Andhra Pradesh). *Indian Commerce & Management Studies*. 77–95
- Asmundson, I. (2012). *Financial Services: Getting the Goods. Finance and Development*. New Hampshire: International Monetary Fund (IMF).
- Atieno, R. (2001). *Formal and informal institutions' lending policies and access to credit by small-scale enterprises in Kenya*. Nairobi: African Economic Research Consortium.
- Ayyagari, M., Beck, T., & Demirgüç, K. A. (2003). *Small and medium enterprises across the globe: a new database*. Washington: The World Bank.
- Batliwala, S. (1993). *Empowerment of women in South Asia: Concepts and Practices*. Bangkok: Asian South Pacific Bureau of Audit Education.
- Baydas, M. M., Graha, H., & Valenzuela, L. (1997). *Commercial Banks in Microfinance: New actors in the microfinance world, Economics and Sociology*. Ohio: The Ohio State University.

- Boiwa, W. C. (2014). Effects of Multiple Borrowing on the Living Standards of Microfinance Clients at Kenya Women Finance Trust, Trans Nzoia Region. *Trans Nzoia Region, Developing Country Studies*, 4(9), 77-85.
- Branch, C., & Brian, B. (2001). Overcoming Credit Union Governance Problems. In C. Branch, & G. Westley, *In Safe Money*. Washington: Inter-American Development Bank.
- Brau, J. C., & Woller, G. M. (2004). Microfinance: a Comprehensive Review of the Existing Literature. *Journal of Entrepreneurial Finance and Business Ventures*, 9(1).
- Bruno, O., & Khachatryan, K. (2020). Compulsory versus voluntary savings as an incentive mechanism in microfinance programs. *Journal of Behavioral and Experimental Finance, Elsevier*, 26(3).
- Carter, S., & Cannon, T. (1992). *Women as Entrepreneurs*. London: Academic Press.
- Chopra, D., & Muller, C. (2016). Introduction: Connecting perspectives on women's empowerment. *IDS Bulletin*, 47(1), 1–10.
- Coleman, B. (2006). Microfinance in North East Thailand: Who Benefits and How Much? *World Development*, 34(9), 1612-1638.
- Cowling, M., & Westhead, P. (1996). Bank lending decisions and small firms: does size matter. *International Journal of Entrepreneurial Behavior & Research*, 2(2), 52-68.
- Crabb, P. R., & Keller, T. (2006). A Test of Portfolio Risk in Microfinance Institutions. *Faith and Economics*, 47(8), 25-29.
- Early J.S. (2006), Problems in the Measurement of the Quality of Credit. *Proceedings of the Business and Economic Statistics Section of the American Association*, 202-217.
- Elhadidi, H. H. (2018). The Impact of Microfinance on Poverty Reduction in Egypt: An Empirical Study. *Enterprise Development and Microfinance*, 29(2), 172–181.

- Garikipati, S. (2008). The Impact of Lending to Women on Household Vulnerability and Women's Empowerment: Evidence from India. *SSRN Electronic Journal*, 36(12), 2620-2642.
- Gonzalez, A. (2010). Analyzing microcredit interest rates. *Mix data brief*, 4. Retrieved from www.themix.org
- Gram, L., Morrison, J., & Skordis-Worrall, J. (2019). Organising concepts of 'women's empowerment' for measurement: A typology. *Social Indicators Research*, 143(3), 1349–1376.
- Hassan, S. (2011). Is Microcredit a Viable Strategy for Empowering Women? *Ghana Journal of Development Studies*, 8(1), 72-89.
- Hermes, N., & Lensink, R. (2007). The Empirics of Microfinance: What do we do now? *The Economic journal*, 117, 1-10.
- Hollis, A., & Sweetman, A. (1998). Microcredit: What Can We Learn form the Past? *World Development*, 26(10), 1875-1891.
- Houston, J. (2009). *Fundamentals of financial management*. Boston: South Western Cengage.
- Huque, M. (2017). Effectiveness of Micro-Credit on Urban Poor Women in Dhaka City: An Empirical Study. *International Journal of Research in Humanities and Social Studies*, 4(10), 1-8.
- Ifeanyi, A. O., Idowu, A. O., & Ogbukwa, B. C. (2014). Determinants of Loan Repayment Behaviour of Smallholder Cooperative Farmers in Yewa North Local Government Area of Ogun State, Nigeria: an Application of Tobit Model. *Journal of Economics and Sustainable Development*, 5(16), 144-153.
- Kabeer, N. (1999). Resources, agency, and achievements: Reflections on the measurement of women's empowerment. *Development and Change*, 30.
- Kabeer, N. (2001). *Resources, Agency, Achievements: Reflections on the Measurement of Women's Empowerment. Discussing Women's Empowerment-Theory and Practice*. Sweden: Swedish International Development Cooperation Agency.

- Kabeer, N. (2005). Gender equality and women's empowerment: A critical analysis of the third millennium development goal 1. *Gender & Development*, 13(1), 13-24.
- Kaicer, M., & Aboulaich, R. (2014). Econometrics analysis of the failure in group lending. *International of innovation and applied studies*, (5), 106-114.
- Khandelwal, A. K. (2007). Microfinance development strategy for India. *Economic and Political Weekly*, 42, 1127-1135.
- Kimbrough, K. (2019). *The Impact of Microfinance on Women's Empowerment: Evidence from Rural Areas of Uganda*. Durham, North Carolina: Duke University
- Kingsley, W. C. (2020). How corporate social advocacy affects attitude change toward controversial social issues. *Management communication quarterly*, 34(3), 350-383.
- Kireti, G. W., & Sakwa, M. (2014). Socio-Economic Effects of Microfinance Services on Women: The Case of Rosewo Microfinance, Nakuru County, Kenya. *International Journal of Academic Research in Economics and Management Sciences*, 3(3), 43-59.
- Kurgat, P. (2007). *The role of savings in Microfinance Institutions a case of KWFT*. (Unpublished Masters Thesis). Bruxelles: Solvay Brussels School of Economics and Management.
- Mamun, A., & Ekpe, I. (2016). Entrepreneurial traits and micro-enterprise performance: a study among women micro-entrepreneurs in Malaysia. *Development in Practice*, 26(2), 193-202.
- Meggison, W. L., & Scott, B. S. (2008). *Introduction to Corporate Finance* (2nd ed). Boston: Cengage Learning.
- Myers, C. & Brealey, R. (2013). *Principles of Corporate Finance*. New York: McGraw-Hill
- Mahmood, S., Hussain, J., & Matlay, H. (2014). Optimal microfinance loan size and poverty reduction amongst female entrepreneurs in Pakistan. *Journal of Small Business and Enterprise Development*, 21(2), 231–249.

- Mokhtar, S. H. (2011). *Microfinance performance in Malaysia* (Doctoral dissertation). New Zealand: Lincoln University.
- Moses, R (2010). *Microfinance credit terms and performance of SMEs in UGANDA: A case study of SMEs in Mbarara Municipality* (Unpublished Masters Thesis). Uganda: Makerere University.
- Moti, H. O., Masinde, J. S., Mugenda, N. G., & Sindani, M. N. (2012). Effectiveness of Credit Management System on Loan Performance: Empirical Evidence from Micro Finance Sector in Kenya. *International Journal of Business, Humanities and Technology*, 2(6), 99-108.
- Nabavi, S. A. H. (2009). Poverty and microenterprise development. *European Journal of Social Sciences*, 9(1), 120-128.
- Nabard, D. (2000). *Ten Years of SHG-Bank Linkage: 1992-2000*. Mumbai: NABARD and Microfinance.
- Nelson, L. (2012). *Solving Credit Problem*. Retrieved from CFO: <http://www.cfo.com>
- Njenga, B. (2014). *The Effects of Credit Management Practices on Loan Performance in Deposit Taking Microfinance Institutions in Kenya*. Kenya: University of Nairobi.
- Nkundabanyanga, S. K., Kasozi, D., Nalukenge, I., & Tauringana, V. (2014). Lending terms, financial literacy and formal credit accessibility. *International Journal of Social Economics*, 41(5), 342-361.
- Nkpoyen, F., & Basse, G. E. (2012). Micro-lending as an empowerment strategy for poverty alleviation among women in Yala Local Government Area of Cross River State, Nigeria. *International Journal of Business and Social Science*, 32(18), 233-241
- Noreen, S. (2011). Role of Microfinance in Empowerment of Female Population of Bahawalpur District. *International Conference on Economics and Finance Research*, 4(11), 26-45.
- Palladini, E., & Goldberg, M. (2010). *Managing Risk and Creating Value with Microfinance*. Washington: World Bank.

- Paudel, N. P. (2013). Socio-economic impact of microfinance in Nepal. *Journal of Management and Development Studies*, 25(1), 59–81.
- Periasamy, P. (2009). *Financial management* (2nd ed.). New York: McGraw-Hill Publications.
- Pitt, M. M., & Khandker, R. S. (1998). The Impact of GroupBased Credit Programs on Poor Households in Bangladesh: Does the Gender of Participants Matter? *Journal of Political Economy*, 106(5), 958–996.
- Puhazhendhi, V. (2000). *Microfinance for Rural People: An Impact Evaluation*. Mumbai: Nabard.
- Rahman, M. M., Khanam, R., & Nghiem, S. (2017). The effects of microfinance on women' s empowerment: New evidence from the International Journal of Social Economics Article information. *International Journal of Social Economics*, 26(4), 33-39.
- Rajan, R. (1995). The Effect of Credit Market Competition on Lending Relationships. *The Quarterly Journal of Economics*, 110, 407-443.
- Reji, E. (2009). Socio Economic Impact of Microfinance: A Study of Neighborhood Groups in Nilambur Block of Malappuram District, Kerala. *Indian Journal of Agriculture Economics*, 62(2), 246-258.
- Robinson, M. S. (2001). *The Micro Finance Revolution*. The World Bank: New York.
- Rosenberg, R., Gonzalez, A., & Narain, S. (2009). *The New Moneylenders: Are the Poor Being Exploited by High Microcredit Interest Rates?* Washington: Consultative Group to Assist the Poor.
- Salia, P. J. (2014). The Effect of Microcredit on The Household Welfare: Empirical Evidences from Women Micro-entrepreneurs in Tanzania. *International Journal of Academic Research in Business and Social Sciences*, 4(5), 259.
- Samer, S., Majid, I., Rizal, S., Muhamad, M. R., & Rashid, N. (2015). The Impact of Microfinance on Poverty Reduction: Empirical Evidence from the Malaysian Perspective. *19(5)*, 721–728.

- Seiden, J. S. (2008). *Equitably Distributing Executive Compensation*. Retrieved from Seiden Family Laws: <https://www.seidenfamilylaw.com/post/equitably-distributing-executive-compensation>
- Shariff, M. N. (2013). Determinants of Repayment Performance in microfinance programs in Malaysia. *Laban Buttetin of International Business and Finance*, 11, 14 – 288.
- Shrestha, S. M. (2007). State of microfinance in Nepal. Institute of Microfinance, prepared for presentation in SAARC Micro-credit Summit in Kathmandu. *The economic journal of Nepal*, 30(2), 60-66.
- Sinclair, H. (2012). *Confessions of a microfnance heretic: how microlending lost its way and betrayed the poor*. San Francisco: Berrett-Koehler Publishers Inc.
- Singh, D. (2001). *Impact of Self-Help Groups on the Economy of Marginalised Farmers of Kanpur Dehat District of Uttar Pradesh*. Gulbarga: University of Gulbarga.
- Sinha, S. (1998). Informal Credit Transactions of Micro-Credit Borrowers in Rural Bangladesh. In Sinha, S (ed) *Micro credit: Impact, Targeting and sustainability*, IDS Bulletin, 24(9).
- Srinivasan, & IPS. (2008). *Review of Post-Tsunami Micro Finance in Sri Lanka*. Colombo: GTZ/ Oxfam Novib/ Stromme Foundation/ Plan-Sri Lanka.
- Stiglitz, J., & Weiss, S. (1981). Credit rationing in markets with imperfect information. *American Economic Review*, 71(3), 393-410.
- Suprabha, R. K. (2014). Empowerment of self help groups (SHGs) towards microenterprise development. *Procedia Economics and Finance*, 11, 410-422.
- Taga, A. A. (2013). Social capital and poverty alleviation: Some qualitative evidences from Lahore district. *International Journal of Basics and Applied Sciences*, 1(3), 681-693.
- Taylor, G., & Pereznieto, P. (2014). *Review of evaluation approaches and methods used by interventions on women and girls' economic empowerment*. London: ODI.
- Thorp, S., VanderEnde, K., Peters, C., Bardin, L., & Yount, K. M. (2016). The influence of women's empowerment on child immunization coverage in low, lower-middle,

- and upper-middle-income countries: A systematic review of the literature. *Maternal and Child Health Journal*, 20(1), 172–186.
- Ukanwa, I., Xiong, L., & Anderson, A. (2018). Experiencing microfinance: Effects on poor women 'entrepreneurs' livelihood strategies. *Journal of Small Business and Enterprise Development*, 25(3), 428–446.
- UNDP. (1993). Retrieved from United Nations Digital Library: <https://digitallibrary.un.org/record/167171?ln=en>
- Vatta, K. (2003). Microfinance and Poverty Alleviation. *Economic and Political Weekly*, 38(5), 32-33.
- Vogel, R. C. (1984). Savings Mobilization: The Forgotten Half of Rural Finance. In D. W. Adams, D. Graham, & J. D. Pischke, *Undermining Rural Development with Cheap Credit*. Boulder: Westview Press.
- Wahid, A. (1994). The Grameen Bank and poverty alleviation in Bangladesh. *American Journal of Economics and Sociology*, 53(1), 1-15.
- Warue, B. N. (2012). Factors affecting loan delinquency in Microfinance in Kenya. *International Journal of Management Sciences and Business Research*, 1(12).
- Woolcock, M. J. (1999). Learning from failures in microfinance: what unsuccessful cases tell us about how group-based programs work. *The American Journal of Economics and Sociology*, 58, 17-42.
- Zaman, H. (1999). Assessing the Impact of Microcredit on Poverty and Vulnerability in Bangladesh. *The World Bank, Policy Research Working Paper*. Retrieved from <http://elibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-2145>

APPENDIX A

Structured Questionnaire

Part (A) Demographic Data

1. Gender:

- Male
- Female

2. Age:

- ≤ 25 years
- 26 ~ 35 years
- 36 ~ 45 years
- Over 45 years

3. Education Level:

- No Academic School
- Middle School
- High School
- Bachelor
- Other

4. Occupation:

- General workers
- Retailers
- Dependent

5. Years of Using Aeon Service:

- Under 1 years
- 1 ~ 3 years
- 4 ~ 6 years
- Over 7 years

Part (B) FINANCIAL SERVICES

Instruction: Please choose one of the following numbers on each line according to the index.

Index: 1 = Strongly disagreed

2 = Disagreed

3 = Neutral

4 = Agreed

5 = Strongly agreed

Please rate your influencing rate over the following financial service items.

Financial Services

No.	Loan Products	1	2	3	4	5
5	Aeon offers various Loan products.					
6	Aeon's products and services meet my needs.					
7	I am satisfied with the products of Aeon.					
	Loan Amount & Interest rate					
8	No penal interest charge for something unexpected					
9	Interest rate charged is reasonable.					
10	I can get enough money to establish my plan.					
11	Loan amount is very important for me.					
	Loan Terms					
12	Aeon loan terms are reasonable for me.					
13	Loan officers/lenders explain to me the terms and conditions of the loan thoroughly.					
14	Aeon loan terms do not encourage the customer to borrow more than their requirement.					
15	Aeon makes customized loan terms according to borrower's situations.					
	Loan Process and Requirements					
16	It is easy to apply the loan at Aeon.					
17	The contract of Aeon is understandable and clear.					
18	The procedure of obtaining loans from Aeon					

	is easier than conventional banking.					
19	Aeon do not ask many documents during loan applying process.					
20	Aeon does not ask collateral for loans.					
21	Aeon does not ask many documents during loan applying process.					
	Loan judgment/ Credit Management					
22	Loan officers suggest clients not to over debt.					
23	Aeon always alerts the clients about repayment period.					
24	Aeon shares the financial literacy tactics to clients to manage their finance.					
	Repayment/Collection					
25	When I have problems, Aeon is sympathetic and reassuring the repayment frequency.					
26	Company has various repayment schedules based on the capital.					
27	Repayment frequency is fair.					
	Compulsory Saving					
28	Compulsory saving amount set by Aeon is relevant.					
29	I have got the saving practice because of compulsory saving.					
30	I believe that savings are allowed to withdraw at the end of the loan term.					

Part (C) SOCIO-ECONOMIC VARIABLES

Instruction: Please choose one of the following numbers on each line according to the index.

Index: 1 = Strongly disagreed

2 = Disagreed

3 = Neutral

4 = Agreed

5 = Strongly agreed

Please rate your influencing rate over the following Socio-economic items.

Socio-economic Variables

No.	Socio-economic Variables	1	2	3	4	5
31.	I am able to earn money for family.					
32.	I can spend my personal income any way that I want.					
33.	I get status and decision making power within the household.					
34.	I gain respect and prestige from relatives and community members.					
35.	I used to meet relatives/friends.					
36.	Living standard has improved.					
37.	I have more self-confidence after taking loan.					
38.	There is a positive impact on family health.					
39.	I control on Household expenditures.					
40.	My family members share important information with me.					
41.	I can save my money/open a bank account without permission from my husband/household head.					
42.	I can buy the basic needs of the household.					
43.	My income is increased after taking loan.					

APPENDIX B

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.991 ^a	.982	.981	.07304

a. Predictors: (Constant), Compulsory Saving Mean, Repayment/Collection Mean, Loan Process and Requirements Mean, Loan Products Mean, Loan Terms Mean, Loan Amount & Interest rate Mean, Loan judgment/ Credit Management Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.786	7	4.827	904.847	.000 ^b
	Residual	.613	115	.005		
	Total	34.399	122			

a. Dependent Variable: Socio-economic Mean

b. Predictors: (Constant), Compulsory Saving Mean, Repayment/Collection Mean, Loan Process and Requirements Mean, Loan Products Mean, Loan Terms Mean, Loan Amount & Interest rate Mean, Loan judgment/ Credit Management Mean

Coefficients^a

Model		Unstandardized		Standardize	t	Sig.
		B	Std. Error	d		
		Coefficients		Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.452	.103		4.367	.000
	Loan Products Mean	.490	.034	.455	14.350	.000
	Loan Amount & Interest rate Mean	.344	.070	.398	4.928	.000
	Loan Terms Mean	.232	.048	.183	4.829	.000
	Loan Process and Requirements Mean	.147	.074	.164	1.982	.050
	Loan judgment/ Credit Management Mean	.219	.073	.258	2.996	.003
	Repayment/Collection Mean	.050	.021	.059	2.364	.020
	Compulsory Saving Mean	.076	.059	.077	1.274	.205

a. Dependent Variable: Socio-economic Mean

Moderating Effects of Age on the Relationship between Financial Services and Socio-economic Variables

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	.992 ^a	.983	.982	.07123	.983	833.181	8	114	.000
2	.994 ^b	.988	.986	.06178	.005	6.361	7	107	.000

a. Predictors: (Constant), Age_Dummy, Repayment/Collection Mean, Loan Products Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan Process and Requirements Mean, Loan judgment/ Credit Management Mean

b. Predictors: (Constant), Age_Dummy, Repayment/Collection Mean, Loan Products Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan Process and Requirements Mean, Loan judgment/ Credit Management Mean, Age_ZRM, Age_ZLTM, Age_ZCSM, Age_ZLRM, Age_ZLPM, Age_ZLJM, Age_ZLAM

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.821	8	4.228	833.181	.000 ^b
	Residual	.578	114	.005		
	Total	34.399	122			
2	Regression	33.991	15	2.266	593.618	.000 ^c
	Residual	.408	107	.004		
	Total	34.399	122			

a. Dependent Variable: Socio-economic Mean

b. Predictors: (Constant), Age_Dummy, Repayment/Collection Mean, Loan Products Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan Process and Requirements Mean, Loan judgment/ Credit Management Mean

c. Predictors: (Constant), Age_Dummy, Repayment/Collection Mean, Loan Products Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan Process and Requirements Mean, Loan judgment/ Credit Management Mean, Age_ZRM, Age_ZLTM, Age_ZCSM, Age_ZLRM, Age_ZLPM, Age_ZLJM, Age_ZLAM

		Coefficients^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.744	.150		4.952	.000
	Loan Products Mean	.478	.034	.444	14.214	.000
	Loan Amount & Interest rate Mean	.365	.069	.423	5.324	.000
	Loan Terms Mean	.263	.048	.208	5.446	.000
	Loan Process and Requirements Mean	.162	.072	.180	2.232	.028
	Loan judgment/ Credit Management Mean	.227	.071	.267	3.172	.002
	Repayment/Collection Mean	.060	.021	.070	2.826	.006
	Compulsory Saving Mean	.084	.058	.086	1.455	.149
	Age_Dummy	.047	.018	.067	2.626	.010
	2	(Constant)	1.619	.340		4.763
Loan Products Mean		.601	.197	.558	3.051	.003
Loan Amount & Interest rate Mean		1.069	.438	1.239	2.441	.016
Loan Terms Mean		.198	.061	.156	3.228	.002
Loan Process and Requirements Mean		1.515	.419	1.688	3.613	.000
Loan judgment/ Credit Management Mean		.069	.186	.082	.373	.710
Repayment/Collection Mean		.055	.085	.065	.643	.522
Compulsory Saving Mean		.184	.161	.187	1.144	.255
Age_Dummy		.099	.045	.142	2.216	.029
Age_ZLPM		.091	.098	.292	.930	.354
Age_ZLAM		.517	.155	2.000	3.338	.001
Age_ZLTM		.074	.038	.211	1.930	.056
Age_ZLRM		.389	.132	1.559	2.952	.004
Age_ZLJM		.078	.101	.237	.769	.444
Age_ZRM		.031	.055	.044	.560	.576
Age_ZCSM		.075	.065	.206	1.156	.250

a. Dependent Variable: Socio-economic Mean

Moderating Effects of Education Background on the Relationship between Financial Services and Socio-economic Variables

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	.991 ^a	.982	.981	.07327	.982	786.678	8	114	.000
2	.994 ^b	.989	.987	.06026	.006	8.790	7	107	.000

- a. Predictors: (Constant), Edu_Dummy, Loan Products Mean, Repayment/Collection Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan judgment/ Credit Management Mean, Loan Process and Requirements Mean
- b. Predictors: (Constant), Edu_Dummy, Loan Products Mean, Repayment/Collection Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan judgment/ Credit Management Mean, Loan Process and Requirements Mean, Edu_ZRM, Edu_ZLTM, Edu_ZCSM, Edu_ZLAM, Edu_ZLPM, Edu_ZLJM, Edu_ZLRM

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.787	8	4.223	786.678	.000 ^b
	Residual	.612	114	.005		
	Total	34.399	122			
2	Regression	34.011	15	2.267	624.353	.000 ^c
	Residual	.389	107	.004		
	Total	34.399	122			

- a. Dependent Variable: Socio-economic Mean
- b. Predictors: (Constant), Edu_Dummy, Loan Products Mean, Repayment/Collection Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan judgment/ Credit Management Mean, Loan Process and Requirements Mean
- c. Predictors: (Constant), Edu_Dummy, Loan Products Mean, Repayment/Collection Mean, Loan Amount & Interest rate Mean, Compulsory Saving Mean, Loan Terms Mean, Loan judgment/ Credit Management Mean, Loan Process and Requirements Mean, Edu_ZRM, Edu_ZLTM, Edu_ZCSM, Edu_ZLAM, Edu_ZLPM, Edu_ZLJM, Edu_ZLRM

		Coefficients^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.524	.177		2.970	.004
	Loan Products Mean	.486	.035	.452	13.832	.000
	Loan Amount & Interest rate Mean	.335	.072	.388	4.654	.000
	Loan Terms Mean	.243	.053	.191	4.621	.000
	Loan Process and Requirements Mean	.160	.079	.178	2.033	.044
	Loan judgment/ Credit Management Mean	.220	.073	.258	2.990	.003
	Repayment/Collection Mean	.055	.023	.065	2.375	.019
	Compulsory Saving Mean	.074	.060	.075	1.238	.218
	Edu_Dummy	.012	.023	.014	.510	.611
	2	(Constant)	3.404	.667		5.102
Loan Products Mean		1.564	.450	1.453	3.476	.001
Loan Amount & Interest rate Mean		1.087	.654	1.260	1.663	.099
Loan Terms Mean		.106	.146	.084	.726	.469
Loan Process and Requirements Mean		1.460	.669	1.626	2.182	.031
Loan judgment/ Credit Management Mean		.191	.347	.225	.551	.583
Repayment/Collection Mean		.146	.170	.173	.859	.392
Compulsory Saving Mean		.122	.355	.124	.344	.731
Edu_Dummy		.085	.045	.103	1.888	.062
Edu_ZLPM		.280	.113	1.177	2.482	.015
Edu_ZLAM		.343	.194	1.551	1.769	.080
Edu_ZLTM		.040	.044	.141	.915	.362
Edu_ZLRM		.256	.191	1.201	1.342	.182
Edu_ZLJM		.020	.106	.081	.193	.847
Edu_ZRM		.048	.055	.129	.884	.379
Edu_ZCSM		.034	.089	.134	.384	.702

a. Dependent Variable: Socio-economic Mean