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DEPARTMENT OF COMMERCE

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CONSUMER USAGE BEHAVIOR AND

BRAND LOYALTY OF KBZ PAY

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ABSTRACT

The objectives of the study are to examine the factors influencing consumer usage behavior on KBZ Pay and analyze the effect of consumer usage behavior on brand loyalty of KBZ Pay. This study aims to investigate KBZ Pay usage behavior based on the influencing factors and analyze the relationship between usage behavior and brand loyalty of consumers. Along with technology development, the role of cash payment is gradually replaced by many forms of e-payment and mobile money is one of them. The survey data were collected from 246 customers in Yangon and simple random sampling method is applied to collect the data from respondents. Structured questionnaires are used to collect the primary data from 246 respondents with 5 point likert scale. The findings of this study point out four factors influencing on the KBZ Pay usage behavior. These four factors are perceived usefulness, perceived ease of use, social influence and perceived trust. Moreover, the result shows that usage behavior is affecting to the loyalty of the consumers. In this study, most of the respondents have positive feedback on influencing factors and also show positive usage behavior. Thus, they are willing to recommend KBZ Pay to others and continue using this as loyal consumers.

ACKNOWLEDGEMENTS

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FinTech   Financial Technology

TAM   Technology Acceptance Model

OTP   One Time Password

P2P   Person to Person

KYC   Know Your Customer

NRC   National Registration Card

CHAPTER (1)
INTRODUCTION

A mobile payment, also referred to mobile wallet, is any of various payment processing services operated under financial regulations and performed from or via a mobile device, as the cardinal class of digital wallet. Instead of paying with cash, cheque or credit cards, a consumer can use a payment app on a mobile device to pay for a wide range of services and digital or hard goods. A business that accepts mobile payments gives its customers greater flexibility. There are many types of mobile payments that can be utilized by a company. Whether selling online, in-store or off-site, mobile payment methods give customers a seamless, flexible purchasing experience. With an ever-increasing dependence on smartphones, it makes sense to let customers pay in this convenient manner (Starkenberg, M, 2022).

Ann Wilkinson stated that mobile wallets usage is one of the most secure payment methods available today. No bank account numbers are transmitted while making an online payment. Mobile wallet transactions are covered by the same security and privacy protections as physical cards. A mobile wallet allows us to leave our wallets at home. Transactions are too fast. They can be completed in just a few seconds so there's less time waiting in line (Wilkinson, A, 2022).

As the digital technology is moving forwards with a rapid pace, the countries are trying to build cashless communities worldwide. The increase in demand for cashless transactions has significantly changed the attitude and usage of customers regarding mobile wallets. Mobile wallets can be used to make online transactions, replace cash in shopping, pay bills such as electricity or water bills and transfer money. The people can use mobile wallets to make the financial transactions comfortably using mobile internet.

To give the best services, the service providers have to know the customers' mobile wallets usage behavior. Satisfied customers might become loyal customers of the brand. If the customers have loyalty on the brand such as KBZ Pay, they have intention to use it on a regular basis in their daily life. Moreover, they prefer to choose that brand even if they have many choices to use other mobile wallets brands. To survive a mobile wallet brand in a competitive world, it need to retain this type of loyal customers.

In Myanmar, telecom companies provide mobile money services as well as private banks. Mobile wallets services provided by telecom companies are Wave Money of Telenor, M-Pitesan of Ooredoo , Mytel's MytelPay and MPT Pay from MPT. Mobile wallet apps provided by Bank include KBZ Pay, CB Pay, AYA Pay, UAB Pay, Citizens Pay (MCB), Ongo (MOB), Shwe Eait (Shwe Bank) and OnePay (AGD). These wallet accounts are typically divided into two tiers: Level 1 and Level 2. KBZ pay has three users account types such as level 1, level 1.5 and level 2 user account. Level 1 is given without ID verification and Level 2 is for those with their ID already verified (Greene, C, 2022). Wave Money can link with Yoma Bank account, and KBZ Pay is popular among mobile wallet users. The people in Myanmar use KBZ Pay to store, make payments and transfer money with mobile phone.

1.1   Rationale of the Study

In the early days of the digital world, the people in Myanmar are not very familiar with digital trends but the concept of "digital operations" is existed. Nowadays, cash is also still king in Myanmar where has experienced drastic technology-led changes in its banking and financial sector. The people of Myanmar are gradually moving away from keeping and saving cash in their homes and moving on saving money in banks and using cash cards and mobile wallet. The mobile phone connectivity and internet penetration are increasing in Myanmar. Thus, the people in Myanmar can access the digital financial services via mobile technology such as mobile wallet applications.

Nowadays, mobile phones are the essential tools for everyday use and mobile wallet services are internet-based services that enables the customers to access banking services through mobile phones. KBZ Bank launched a digital mobile wallet called KBZ Pay in August 2018. Through KBZ Pay, millions of Myanmar people are brought into the digital society. Aside from storing money in KBZ Pay, it allows the customers to make cashless transactions, bill payments, send and receive money and withdraw cash at KBZ Pay agents and branches (KBZ Bank, 2019).

In Myanmar, KBZ Pay is the number one mobile wallet with over 10 million users nationwide. Most of the people choose KBZ Pay as their first priority among the mobile wallet brands for making financial transactions. KBZ Pay is also the country's market leader and it enables financial institutions, telecom operators, retailers and other merchants to connect

directly with their customers. Therefore, this study aims to know KBZ Pay usage behavior of Myanmar people.

KBZ Bank has invested the greatest resources and effort on releasing KBZ Pay. Unless the customers continue the usage, KBZ Pay cannot achieve success. Moreover, there are several studies about consumer behavior of KBZ Pay mobile wallet, but many studies focus on early adoption and acceptance of KBZ Pay, while the study about post- adoption is still limited such as brand loyalty. Therefore, this study aims to identify the factors affecting consumers' usage behavior on KBZ Pay and analyze the effect to reach brand loyalty stage. The four main independent variables of this study are perceived usefulness, perceived ease of use, social influence and perceived trust that influence on the usage of KBZ Pay. By studying these factors, service providers of KBZ Pay can predict usage behavior of customers and make the necessary adjustments to get satisfaction on KBZ Pay usage by giving the best services. Customer satisfaction might become brand loyalty of KBZ Pay.

1.2   Objectives of the Study

The main objectives of the study are as follows:
1. To examine the factors influencing consumer usage behavior on KBZ Pay.
2. To analyze the effect of consumer usage behavior on brand loyalty of KBZ Pay.

1.3   Scope and Method of the Study

This study focuses on influencing factors that affect consumer usage behavior and brand loyalty of KBZ Pay. In this study, population are KBZ Pay users living in Yangon. (246) users are used as a sample size according to Cochran, 1977 formula. Descriptive and quantitative method are used in this study. Both primary and secondary data are used to achieve the objectives of this study. The primary data are collected by using structured questionnaires with a 5-point Likert scale ranging. Simple random sampling method applied for sampling selection. The secondary data are collected from the relevant textbooks, international research paper, internet websites and other related information resources.

1.4   Organization of the Study

        This study includes five chapters. Chapter (1) is the introduction chapter which includes the rationale of the study, the objectives of the study, scope and method of the study and organization of the study. Chapter (2) includes the theoretical background of the study in which applicable theory and conceptual framework are explained. Chapter (3) describes the consumer usage behavior on KBZ Pay. Chapter (4) analyzes on KBZ Pay usage behavior towards brand loyalty. Chapter (5) covers the conclusions with findings and discussions, suggestions and recommendations, limitations of the study and the needs for further study.

CHAPTER (2)
THEORETICAL BACKGROUND

This chapter focuses on the relevant theories and previous studies associated with mobile wallet usage behavior and brand loyalty of the customers. As mobile wallet is FinTech service, technology theories is applied to know the usage of mobile wallet. Theory of the study discussed in this section is Technology Acceptance Model (TAM) that led to high acceptance and usage of mobile wallet services. Consumer behavior theory is used to identify consumer usage behavior of mobile wallet services. Behavioral theory and theory of trust was used to analyze the effect of consumer usage behavior on Brand loyalty of KBZ Pay.

2.1 Consumer Behavior Theory

Consumer behavior is defined by Solomon et al. (1995) as the process through which people and groups select, acquire, use, and dispose of goods or services in order to meet their needs and desires. A similar definition of consumer behavior is provided by Schiffman and Kanuk (2000), who define it as the behavior that consumers display when they choose and buy the goods or services utilizing their available resources in order to satiate their wants and desires.

Consumer behavior is described by Stallworth (2008) as a collection of behaviors which involves the purchase and usage of products and services which came from the consumers' emotional and mental requirements and behavioral reactions. The process may include several activities and phases, according to Gabbot and Hogg (1998). The reasons why consumers make purchases, particular elements that influence the patterns of consumer purchases, an examination of changing social conditions, and other challenges are only a few of the specific aspects of consumer behavior that marketers believe need to be examined.

Kotler and Keller (2011) emphasize how crucial it is for businesses and service providers to understand consumer behavior and how customers pick their goods and services since doing so gives them a competitive edge over their rivals in a number of areas.For instance, they may establish their strategies to successfully deliver the correct products and services to the proper audience of customers reflecting their requirements and wants using the knowledge they have gained through analyzing consumer behavior.

2.1.1 Technology Acceptance Model (TAM)

Technology Acceptance Model (TAM) was originally developed by Fred Davis (1986) and it has been modified by other researchers. TAM describes the consumer's willingness to accept and use a technology. TAM is a widely used model to understand and explain consumer behavior in an information system. In this study, original version of TAM is used and this model is comprised of four pillars: perceived usefulness, perceived ease of use, attitude towards usage and actual usage behavior. Perceived usefulness is defined as being the degree to which a person believes that the use of a system will improve his performance. Perceived ease of use refers to the degree to which a person believes that the use of a system will be effortless. The attitude towards use is the user's evaluation of the desirability of using an application (Davis, F, 1986).

The readiness of a customer to use or not to use a new information system is determined by his or her attitude, and this attitude is influenced by other factors. Different factors affect the attitude to use a certain technology. In this study, the usage of mobile wallet is influenced by the factors as perceived usefulness, perceived ease of use, social influence and perceived trust.

Figure (2.1)   Original Version of Technology Acceptance Model (TAM)
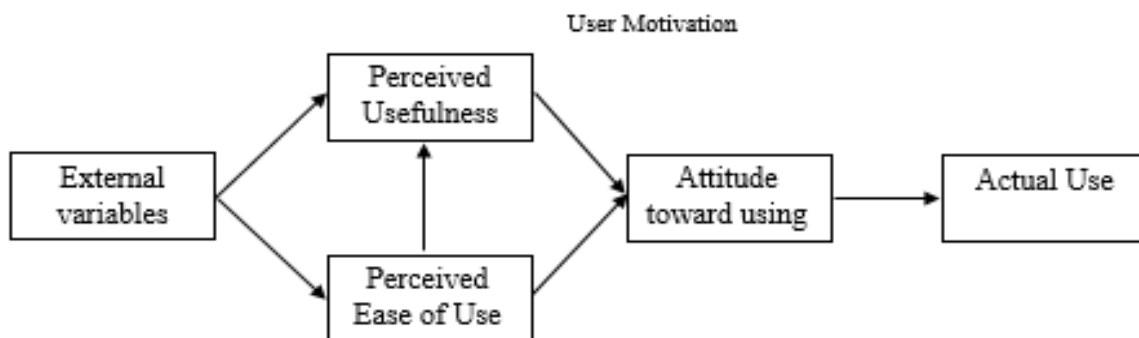
Source: Davis (1986)

This model presents the actual usage of digital technology is influenced by the users' attitude on the usage of technology. The two external variables: perceived usefulness and perceived ease of use has affected towards the customers' attitude. These variables and attitude are the motivation of users to reach the final stage, actual usage.

2.1.2 Behavioral Theory

Brand loyalty refers to the fact that customers have a specific interest in a certain brand and continue to buy its items, ignoring all other brands in the process. In addition, brand loyalty refers to a pattern of consumer behavior in which buyers repeatedly choose the same brand or product over time (Yaqi, W, 2018).

In addition, brand loyalty refers to a pattern of consumer behavior in which buyers repeatedly choose the same brand or product over time (Jocoby and Kyner 1973). Lyong (1998) utilized the sensible action theory to brand loyalty research by combining predecessors' research and represented brand loyalty as a function of the relative brand purchasing of a certain brand.The most accurate definition of brand loyalty from a behavioral standpoint is Lyong's. Brand loyalty is defined in this study as a commitment to a brand, a readiness to choose a brand over another, making repeated purchases, and recommending a brand to others.

2.1.3 Theory of Trust

The commitment-trust theory was developed by Morgan and Hunt in 1994, and it was based on the idea that relationships commitment and trust are crucial to relationship marketing success.In order to develop a solid connection with partners or consumers, marketers were advised to rely on the two factors of commitment and trust. This was especially true when those two factors combined with customers' good attitudes regarding the offers or beneficial perspective outcomes.

Trust was defined as one party's belief in the reliability and integrity of an exchange partner. Similar to how confidence in an exchange partner was characterized as trust, trust is the readiness to rely on that partner (Moorman, Deshpande, & Zaltman, 1993). Trust was defined by Rotter (1967) as a broad expectation that a person holds that another party's word may be trusted. A theoretical model that takes into account how an individual's perceptions of privacy and trust connect to his or her behavioral intention to complete an online transaction was suggested by Liu, Marchewka, Lu, and Yu in 2005 and evaluated in experiments.

2.2   Influencing factors on Consumer Usage Behavior

Zaichkowsky (1985) defines the two dimensions as the breadth and the depth of consumption behavior. Usage frequency includes the number of times the product is used or

the number of occasions the product is purchased in the specific time period, represents the depth of consumption. The breadth of consumption implies a variety of usage situations or the number of brands the person has consumed or purchased over a given time period. Ram and Jung (1989) also suggest that usage frequency and usage variety are the two critical dimensions of product usage. Usage frequency refers to how often the product is used regardless of the different applications for which it is used. Usage variety refers to different applications for which a product is used and different situations in which a product is used.

In this study, consumer usage behavior means the decisions and actions of consumers that influence the usage of mobile wallet for their personal-related purposes. In the context of mobile wallet usage behavior, usage behavior is the actual use of mobile wallet. The behavior will always be associated with the technology used such as the behavior of using mobile wallet. There are four main independent variables that influence on the usage of mobile wallet.

2.2.1 Perceived Usefulness

Perceived usefulness refers to "the degree to which a person believes that his/her performance would become more efficient by using a particular system" (Davis, 1986). Perceived usefulness is the most crucial factor in user acceptance of a system. It is related to the productivity and effectiveness of the system and its overall benefits to improve user performance. According to Gong and Xu (2004), usefulness is considered as: customers trust that their expectations will be met when applying new technologies.

Usefulness is defined as customers' feeling about the potentiality of services features to provide many benefits for them and to help improve their job performance when using the services of mobile wallet. The usage behavior of mobile money services is influenced by the perception of a higher level of benefits achieved when using the services. Therefore, perceived usefulness has a positive influence on mobile wallet usage behavior.

2.2.2 Perceived Ease of Use

Perceived ease of use is defined as the extent to which users believe that by using a specific system, they will be free from effort (Davis, 1986). In other words, the more users feel a system is easy to use, the higher their interest in using the system. This factor is the second key determinant in the technology acceptance model. Davis explained that the users want to get acquainted with the new application if it seems user-friendly. Perceived ease of use refers

to the clear and understandable interaction that users experience with the new system, and it is also about how comfortable they feel when using the system to do what they want (Ndubisi & Jantan, 2003).

The ease of use is perceived when a customer feels usage of the services is easy to understand, to learn, and to use. In this study, ease of use means using mobile wallet is easy and customers can quickly become the skillful users. The process of making payments, transferring funds, buying top-up bill, etc, is simple and understandable. Therefore, consumers can easily use the services of mobile wallet without having technical skills and requiring mental effort. There is a positive influence by ease of use on the usage behavior.

2.2.3 Social Influence

The concept of social influence derived from the ToRA of Azjen and Fishbein (1975), it is understood as "one's perception of the social pressure to engage or not to engage in a behavior". The person's own opinion is influenced by the individual or group of reference such as family members, friends, colleague, celebrities and the means of mass communication. In the diffusion innovation literature, social influence has long been regarded as an important element in explaining the adoption behavior of a technology (Cooper and Zmud, 1990; Karahanna et al., 1999).

In this context, social influence is the perceived influence of others who motivate customers to use mobile wallet services. The perceived influence and support obtained by the group of people using the mobile wallet can be stated as an aspect of social influence. Advertisements and social media platforms can also be influenced on the usage behavior of it.

2.2.4 Perceived Trust

Trust is defined as a willingness to use the new service with a sense of comfort, safety, and risk acceptance (Kim et al., 2010). The transactions are made in a telephone network that is more vulnerable and uncertain than the traditional payment transaction. Chanchai et al. (2015) defined perceived trust as the level of trust that a person has in another entity to perform expected activities without taking advantage.

Trust plays an important role when financial transactions are made with mobile wallet. While making a transaction, customers expect their personal information must be guaranteed not to share with any third parties. In this study, perceived trust means accuracy, reliable of financial transactions and privacy protection. Data security, account safety, transparency and clear communication are the key components of mobile wallet's success and in terms of building trust and stimulating user adoption.

2.3   Previous Studies

Wulandari, Indah Retno, Sumadi (2020) explored "Analysis of behavior using e-money with a TAM approach". This study aims to determine and analyze perceptions of the benefits of attitudes, perceptions of ease of attitudes, levels of trust in interests, attitudes affect interests, and interests influence behavior using E-Money. The population in this study were all e-money users in the Java Island region. Samples taken in this study are some e-money users in the Java Island region, amounting to 200 respondents. Sampling using non-probability techniques with convenience sampling method and research models were analyzed using Structural Equation Model (SEM), using the help of AMOS software. The conceptual framework of the study is in figure (2.2).

Figure (2.2) Analysis of Behavior Using E-money with a TAM Approach
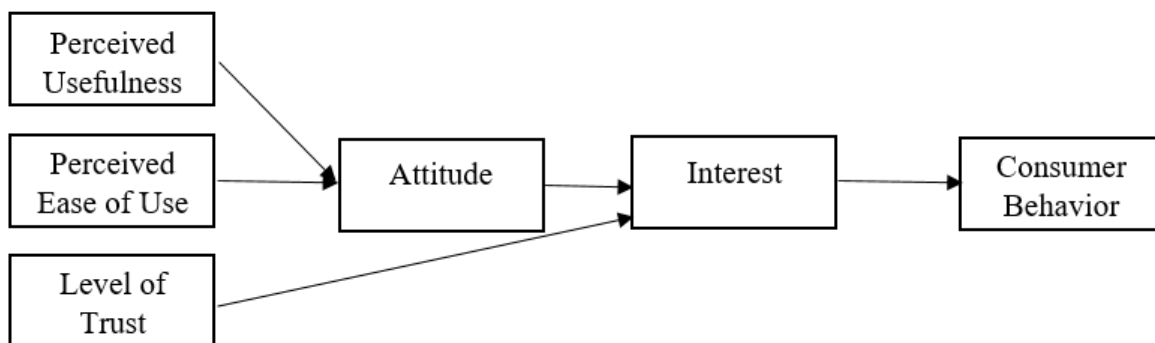
Source: Wulandari, Retno, I., Sumadi (2020)

The results of this study indicate that the perception of benefits has a significant positive effect on attitude, the perception of ease has a significant positive effect on attitude, the level of trust has a significant positive effect on interest, attitude has a significant positive effect on interest and interest has a significant positive effect on behavior using e-money.

Richard, E & Mandari, E (2017) explored "factors influencing usage of mobile banking services". The study assessed key factors that influence the usage of mobile banking services in Tanzania using TAM and transaction theory. A sample of 120 mobile phone users collected through a structured questionnaire was used. Descriptive, Pearson correlation and multiple regressions were employed for analysis. Customers' awareness and perceived ease of use have a significant positive influence while perceived risk and transaction cost have a significant negative influence on the usage of mobile banking services. Customers' awareness and perceived ease of use have relatively greater influence on the usage of mobile banking services than perceived risk and transaction costs. The conceptual framework of the study is in figure (2.3).

Figure (2.3) Factors Influencing Usage of Mobile Banking Services
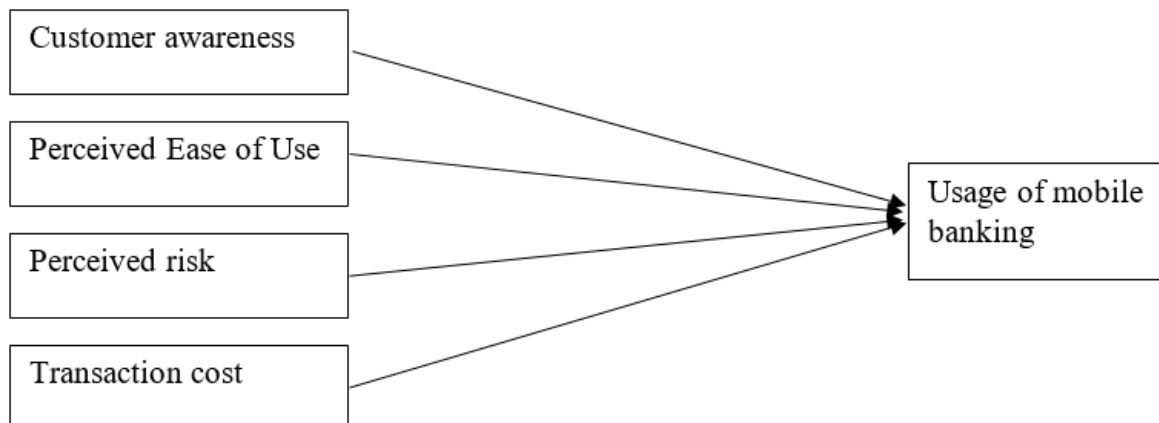
Source: Richard, E & Mandari E (2017)

The dependent variable 'usage of mobile banking' is influenced by four independent variables such as customer awareness, perceived ease of use, perceived risk and transaction cost. The result show that customer awareness and perceived ease of use positively influence

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on usage of mobile banking services. The third perceived risk is the user's subjective expectation of suffering a loss in pursuit of a desired outcome (Pavlou, 2001). The fourth is transaction cost that means the extent to which a person believes that using mobile banking will cost money (Luarn and Lin, 2005). Perceived risk and transaction cost negatively influence on usage of mobile banking.

Wajeeha Aslam, Marija Ham, Kashif Farhat (2019) explored "Building brand loyalty: an application of expectation confirmation model in mobile social commerce". The study seeks to examine the role of perceived usefulness (PU) and confirmation (CN) on continuance usage intention of mobile social commerce (CI) and on user satisfaction (S). Furthermore, it examines the role of continuance intention and user satisfaction on brand loyalty (BL). Also, this study seeks to examine the role of gender and online shopping experience. This study validates the model that combines brand loyalty and expectation confirmation model (ECM) in the mobile social commerce context. For this, the data was collected from a sample of 344 respondents from Pakistan and structural equation modeling (SEM) was applied using Amos 22.

Figure (2.4) Building Brand Loyalty: An Application of Expectation Confirmation Model in Mobile Social Commerce
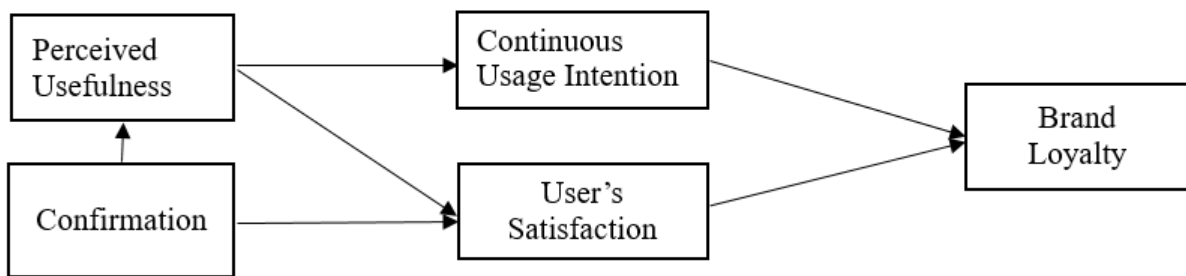
Source: Aslam, W., Ham, M., Farhat, K (2019)

Results of the study reveal that PU is influenced by CN whereas CN does not have an impact on S. Furthermore, PU established a significant impact on S and CI, but S does not assure CI. Likewise, S and CI both have an impact on BL. The study also found differences in consumer behavior based on gender and online shopping experience. This study is helpful to the social commerce companies as it identifies the key elements that boost brand loyalty.

2.4 Conceptual Framework of the Study

In this study, the conceptual framework is based on consumer behavior theory, technology acceptance model (TAM), behavioral theory and trust theory. This study develops own compilation framework considering theoretical reviews, the factors that influence the usage behavior of mobile wallet and the effect of mobile wallet usage behavior on brand loyalty. The components of the framework are explained as follow:

Figure (2.5) Conceptual Framework of the Study
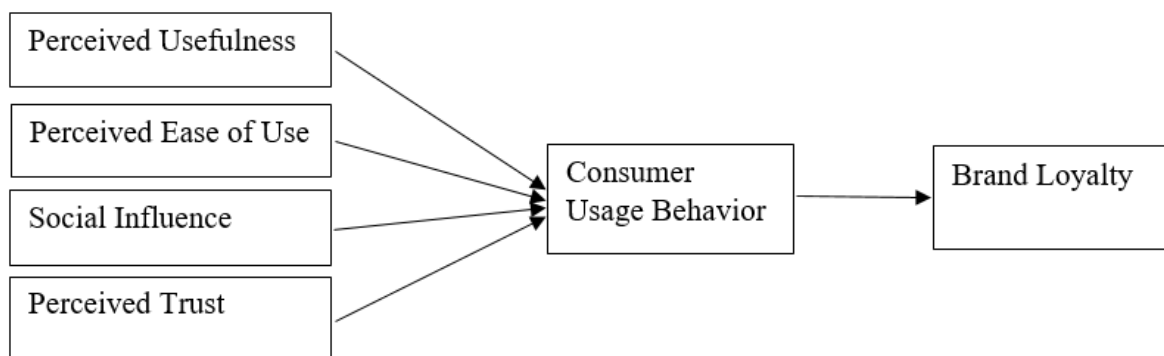
Source: Own Compilation (2023)

This framework presents the interrelationship among the key independent variables and dependent variables. From the previous study, perceived usefulness, perceived ease of use and perceived trust are taken as independent variables due to the relevant nature of mobile money. As this study targets to the existing customers, the relevant dependent variables are usage behavior and brand loyalty.

2.5 Definition of Key Terms

For the purpose of this study, the following words are taken to mean:

Table (2.1) Definition of Key Terms

No.	Variable	Working Definition

1	Perceived Usefulness	Perceived usefulness means the customers' feeling about the services features of KBZ Pay to provide many benefits and to help improve the job performance when using the services of KBZ Pay.
2	Perceived Ease of Use	Perceived ease of use means the usage of services features is easy to learn and understand. The steps of making payments and transferring funds is simple and understandable for the customers.
3	Social Influence	Social influence is the perceived influence of people who motivate the customers to use KBZ Pay's mobile money services.
4	Perceived Trust	Perceived trust means a willingness to use KBZ Pay services with a sense of safety, reliability, accuracy and security.
5	Usage Behavior	Usage behavior is the action to use mobile wallet services and it can be formed by the actual usage frequency of KBZ pay services. Usage behavior is measured by the frequency to use the services.
6	Brand Loyalty	Brand loyalty refers to the consumer behavior in which a consumer consistently purchases and uses a particular brand, prefers to use the brand than other brands and recommends the brand to others.

Source: Own Compilation (2023)

CHAPTER (3)
CONSUMER USAGE BEHAVIOR OF KBZ PAY

This chapter describes the essential knowledge about the main subject title of the study -KBZ Pay's usage behavior, is introduced. Firstly, the profile of KBZ Pay is presented. In the next section, mobile money services provided by KBZ Pay, transaction amount and transaction fee of KBZ Pay account is discussed. This chapter ends with the discussion of consumer usage behavior of KBZ Pay services.

3.1 Profile of KBZ Pay

KBZ Bank was firstly founded in Taunggyi where is positioned in the southern part of Shan state in 1st July, 1994. KBZ Bank, a part of the KBZ Group of companies, is the largest and market leading bank in Myanmar. At firstly, the bank provided the banking services to the local population in Taunggyi. In November 1999, KBZ Bank has attained the current management organization and overseen its betterment into one of the largest private commercial banks in Myanmar. Now, KBZ Bank is runing it's banking operations with more than 20,000 employees.

In August 2018, KBZ Bank, a largest privately-owned bank, has introduced KBZ Pay, complemented with on-ground activations in Yangon and cities across Myanmar to drive public awareness, encourage sign-ups and promote usage. As the leading bank in Myanmar, KBZ Bank is setting the bar for more accessible financial services by banking beyond the branches. With KBZ Pay, the millions of Myanmar people are brought into the digital society by making 100% financial inclusion has a reality, and ultimately improving their lives.

KBZ Pay is a digital wallet which is stored in an application on the mobile devices. Aside from storing money, KBZ Pay offers a safe, simple and more convenient money wallet services to the customers. To sign up for KBZ Pay, the customers with a smartphone using mobile phone numbers from MPT, Telenor, Ooredoo and Mytel can register for KBZ Pay free-of-charge even if the customer has a bank account. Firstly, the KBZ Pay app can download from Google Play Store, Apple App Store or at www.kbzpay.com. To access the basic KBZ

Pay services, customers need to create an account with general information such as birthday date, NRC number, phone number and creation of their account password.

In order to access the full services of KBZ Pay, customers need to visit KBZ Bank branches or agents to verify their NRC and complete the onboarding process to get level 2 user account. All members of the KBZ Bank employee teams are able to upgrade users from Level 1 or 1.5 to Level 2. Both level 1.5 and level 2 customers also have the option to link their KBZ Bank account with the KBZ Pay app to top up funds in their mobile wallet.

In July 2019, KBZ Pay allows users to withdraw money at any KBZ ATM machine across the country, without needing a card to do so. KBZ Pay mobile wallet allows customers to tap their way towards instant cash withdrawals from any of the bank's 1,500 ATMs across the country. KBZ Bank is the first in Myanmar to link its mobile wallet to instant physical cash access, expelling the notion that only those with bank accounts can withdraw money from ATMs. (KBZ Bank, 2019)

The vision of KBZ Pay is to help Myanmar become leading digital nation with 100% financial inclusive in next 10 years. The mission is to provide safe, convenient, reliable and enabling financial access to all Myanmar people. Driven by a population increasingly drawn to technology devices, Myanmar's fastest- growing mobile wallet KBZ Pay has set an ambitious target of reaching 30 million customers in the next 10 years.

3.2 Mobile Money Services of KBZ Pay

KBZ Pay provides more than the storage of money and general payment functions, they offer specific services features for various transactions. KBZ Pay can be used for various transactions such as bill top-up, transfer funds (to others and to bank account), payments (quick pay, bill payment and travel payment), gift card, pocket money, KBZ Pay loan center (shopper loan and personal loan), branch appointment, transactions history and other services (game, donation, etc). In 2021, pocket money service feature of KBZ Pay is becoming popular on social media network such as Facebook. At that time, the people who did not have interest to use mobile wallets are starting to use KBZ Pay, then, they intend to continue using KBZ Pay in day to day transaction.

The customers are able to check their wallet balance at any time. KBZ Pay allows users to check the details of all transactions, including dates, times, and names, to ensure greater

transparency and address disputes involving transactions. Customers can also book tickets for tourism-related activities. The various services features can attract the people to use KBZ Pay and meet users' expectation on it. The most popular usage services of KBZ Pay for customers can be seen as below:

Bill Top Up

A customer can top up the phone bill with KBZ Pay for themselves or the others by entering a phone number. Then, the bill top up amount is deducted from their wallet balance. KBZ Pay users can make bill top up for all mobile numbers from all mobile operators.

Money Transfer

The most common usage of KBZ Pay is transfer money. The customers can transfer money from person to person (P2P) and from KBZ Pay wallet to bank account on any time. There is a limitation for customers who can transfer to the amount of money depending on their KBZ Pay account level.

Bills Payment or Quick Pay

KBZ Pay offers customers to pay bills including electricity bills, water bills, internet bills and cable television bills. Customers can make bill payment by using Quick pay services from agents or their self-making that, such as for utility, microfinance loan payment, donation, school fees, online booking and other. On the other hand, KBZ Pay allows customers can see the all detail of every single transaction such as names, date, time and so on.

Gift Card

KBZ Pay provides customers to purchase gift cards for iTunes, Netflix, Microsoft Windows Store (US), Mobile Legends, PUBG game and others. This service feature gives customers more options in accessing digital services beyond Myanmar's telecom providers.

Pocket Money

One of KBZ Pay services that is different from other mobile wallet features is pocket money service feature. KBZ Pay grasp Myanmar tradition of paying pocket money from elders to young people, it offers pocket money services. This feature is more appealing when users have options to choose envelope and greetings for occasion such as Myanmar New Year, Thadinkyut or Tasaungtine.

QR Code Payment

Customers make daily purchases and makes payment through QR Code transactions at especially KBZ Pay merchant or agent shops. To use a QR code payment, the customer scans the QR code showed by the merchant with their mobile device to pay for their products and services.

3.3 Transactions Amount and Transaction Fee of KBZ Pay

KBZ Pay offers the following three types of accounts. For level 1 customer account, the customer can self-register for KBZ Pay via mobile phone. For level 1.5 customer account, the customer can do self-onboarding in accordance with KBZ Bank KYC policy. For level 2 customer account, the customer can upgrade to this account type at agents or KBZ Bank branches.

Table (3.1) Eligible Transactions Amount of User Account

User Account Type	Daily Transaction Limit (MMK)	Monthly Transaction Limit (MMK)	Maximum per Transaction (MMK)	Maximum Wallet Limit (MMK)
Level 1	50,000	200,000	50,000	200,000
Level 1.5	5,000,000	No Limit	No Limit	No Limit
Level 2	5,000,000	No Limit	No Limit	No Limit

Source: KBZ Pay Application (2023)

There is a limit for KBZ Pay users who can transfer to the amount of money. For level 1 account, the customers are allowed a maximum of 50,000 MMK per day and 200,000 MMK per month. For both level 1.5 and level 2 accounts, the customers are allowed a maximum of 5,000,000 MMK per day and no limit amount per month.

Transaction fees depend on the transaction type and transaction amount. The transaction fees of KBZ Pay account for registered customers are as follow:

Table (3.2) Transaction Fee of KBZ Pay Account

Transaction Type	Transaction Amount (Kyats)	Fee (Kyats)

Transfer to Bank Account (Daily)	1 - 1,000,000	0
	> 1,000,000	500
Cash Withdrawal at Agent Shop	1 - 10,000	300
	10,001 - 25,000	600
	25,001 - 50,000	800
	50,001 - 100,000	1,200
	100,001 - 150,000	1,600
	150,001 - 200,000	2,000
	200,001 - 300,000	2,400
	300,001 - 400,000	3,200
	400,001 - 500,000	4,000
	500,001 - 600,000	5,200
	600,001 - 700,000	5,800
	700,001 - 800,000	6,500
	800,001 - 900,000	7,200
	900,001 - 1,000,000	7,800
Cash Withdrawal at ATM (Weekly)	0 - 300,000	0
	300,001 - 500,000	0.3%
	500,001 - 1,000,000	0.5%

Source: KBZ Pay Application (2023)

Table (3.2) indicates the transaction fees range of KBZ Pay account. It includes transfer to bank account, cash withdrawal at agent shops and cash withdrawal at ATM. For daily transfer from KBZ Pay account to bank account, the amount range from 1 to 1,000,00 MMK has no fee. If the amount is above 1,000,000 MMK, the customers pay 500 MMK per transaction. For cash withdrawal at agent shops, the customers have to pay fees depend on the withdrawal amounts. For the amount range from 1 to 1,000,000 MMK, the customers pay fees from 300 to 7,800 MMK. If the customers withdrawal cash at ATM, there is no fee for 0 to 300,000 MMK. For the amount range from 300,001 to 500,000 MMK and from 500,001 to 1,000,000 MMK, the customers pay 0.3 % and 0.5% of withdrawal amount respectively.

3.4 Consumer Usage Behavior of KBZ Pay Services

In a competitive business world, a business must know about consumer behavior and without knowing the consumer behavior, it is hard to get success and fail to achieve its goals.

Consumer behavior involves the study of how people acquire, use, experience and make decisions about KBZ Pay. Most of the customers mainly use KBZ Pay to transfer money to others, top up bill and make bill payments.

From the perceptive of normal customers of KBZ Pay, they do not use KBZ Pay on a daily basic and on average, their usage frequency is not too much. But, online or offline business person uses it regularly for accepting and transferring money because most of the people use KBZ Pay than other mobile wallets. Moreover, they perceive that making financial transactions with KBZ Pay is more reliable and secured because of a good reputation of KBZ Bank. Some of the reasons that can affect the usage behavior of KBZ Pay are it provides accurate and reliable financial services, it is easy to make every transaction and it is useful and convenient for them.

In this study, the most of the respondents are always used KBZ Pay for bill top-up service. They can make top up transactions anytime and anywhere without having waiting time. Moreover, the steps of making top up transactions are simple and easy. The customers can easily top-up bill either for themselves or others by entering mobile phone numbers and choosing the bill amount.

The retail customers are sometimes used gift card service feature to purchase credits for iTunes, Google Play Store, Viber Out, Steam, Easypoints and Mobile Legends Bang Bang. This gives customers more options in accessing digital services, beyond Myanmar's telcom providers. Some customers are rarely used to reserve tickets for tourism-related activities and often used for buying and selling goods and services online. Corporate customers are frequently used KBZ Pay to make bulk payments by separating salary payments and supplier payments into two functions. This reduced the number of forms and administrative processes involved in managing payroll and invoice payment.

The most of customers used pocket money service feature for occasion such as Myanmar New Year, Thadinkyut and Tasaungtine festivals. Most of the business owners used this feature for paying pocket money to their employee. At Thadinkyut and Tasaungtine festivals, most of the customers used KBZ Pay for paying pocket money to their family members.

In this study, the female customers have more usage behavior than male customers. The most of customers are always used KBZ Pay to make payments, transfer money and top-up bill. Some customers are used sometimes the services of KBZ Pay such as bill top-up, payments at stores,shops and payments for electricity bills. Therefore, most of the customers are used KBZ Pay to make financial transactions in their daily life.

Table (3.3) Length of KBZ Pay services usage

Length	No. of Respondents	Percentage (%)
Less than 1 year	34	13.8
1 to 3 years	87	35.4
3 years and above	125	50.8
Total	246	100

Source: Survey data, 2023

According to Table (3.3), most of the customers have 3 years and above usage experiences with KBZ Pay. It means that they are quite familiar with the KBZ Pay services and the feedbacks given by them is quite reliable.

CHAPTER (4)

ANALYSIS ON INFLUENCING FACTORS OF KBZ PAY USAGE BEHAVIOR AND BRAND LOYALTY

This chapter describes the analysis on the effect of influencing factors on consumer usage behavior and brand loyalty of KBZ Pay. This chapter includes research design, reliability assessment, demographic profile of respondents, descriptive analysis on influencing factors and the effect of influencing factors on consumer usage behavior and brand loyalty of KBZ Pay.

4.1 Research Design

This research is tested based on the existing customers of KBZ Pay. This research used descriptive and quantitative method output data by examining samples survey responses, multiple-choice and likert scale questions in frequency count, percentages and tables was used to describe each survey questionnaire item such as gender, age, education level, and occupation etc. 5-point likert scale questionnaires were used in average (mean), percentages and excel. The data was collected from the selected sample group, therefore those data received was kept as primary data for further action. This study also includes some important secondary data such as conceptual theories, related research and official sources from internet website. The population of the study are the existing KBZ Pay users who are living in Yangon. (246) users are used as sample size according to Cochran, 1977 formula. Simple random sampling method is applied for sampling selection.

The main research instrument used for this study was the questionnaire. It is divided into two sections; demographic, customer usage behavior and brand loyalty. A self- structured questionnaire was used to gather data from respondents for this study. This survey is taken randomly in February 2023. The survey questionnaires has been shared with KBZ Pay customers in the Yangon region from social network such as facebook and viber groups. The total respondents are 300 and 246 respondents have been tested for this research.

In this research, the findings are based on the data collected from the 246 respondents and there is no use of fake data. The research finding and analysis are based on the actual data

collected from the respondents and there is no subjective opinion for the analysis. The source of data and theories which are used in this research are credited accordingly. The data gathered through the questionnaires administered were recorded and coded into Statistical Package for Social Science (SPSS) software. The survey questions utilized a 5 point likert rating scale: 1= strongly disagree, 2= disagree, 3= neutral, 4= agree, 5= strongly agree.

4.2 Reliability Assessment

According to Gay (2012) stated that reliability is the degree to which a test can measure whatever it is measuring consequently. Furthermore, the more reliable a test, the more confidence can have that the score obtained from the test. Cronbach's alpha is a measure used to assess the reliability or internal consistency of a set of scale or test items. This study used Cronbach's alpha value to measure the internal consistency of the scales used in the questionnaire. The categories below are the level of reliability (Cohen et al, 2007).

Table (4.1) Level of Reliability

No.	Reliability	Level of Reliability
1	>0.90	Very high
2	0.80 – 0.89	High
3	0.70 – 0.79	Reliable
4	0.60 – 0.69	Marginally/ minimally
5	<0.60	Unacceptably low

Source: Cohen et al, 2007

Scale with a coefficient alpha above 0.9 is measured to have very high reliability. Scale with a coefficient alpha between 0.80 – 0.89 is measured to have high reliability. Scale with a coefficient alpha between 0.70 – 0.79 is measured to have fair reliability. Scale with a coefficient alpha less than 0.70 is measured to have poor reliability.

Table (4.2) Results of Cronbach's Alpha Value

Variable	No. of Items	Cronbach's Alpha
Perceived Usefulness	5	0.826
Perceived Ease of Use	5	0.910
Social Influence	5	0.847
Perceived Trust	5	0.896
Usage Behavior	4	0.864
Brand Loyalty	5	0.890

Source: Survey data, 2023

Cronbach's alpha of perceived usefulness, social influence, perceived trust, usage behavior and brand loyalty are 0.826, 0.847, 0.896, 0.864 and 0.890. That means the measurements of these five factors are high in reliability and the questionnaire has high internal consistency. Finally, Cronbach's alpha of perceived ease of use is especially very high reliability of 0.910.

4.3 Demographic Profile of Respondents

Respondents play a critical role for collecting the survey. If the respondent is not suitable for the survey, the result would be deviating from the purpose of the survey. In this study, 246 customers from Yangon region was selected. Demographic profile of respondents consist of gender, age, education, occupation, monthly income level and length of KBZ Pay services usage of the respondents. Table (4.3) shows the demographic profile of the respondents.

Table (4.3) Profile of Respondents

Description		No. of Respondents	Percentage (%)
Gender	Male	96	39
	Female	150	61
Age (Years)	18 to 28	82	33.3
	29 to 38	109	44.3
	39 to 48	40	16.3
	49 to 58	15	6.1
	59 and above.	0	0
Education	Under- graduate	24	9.8
	Graduated	170	69.1
	Master	48	19.5
	Ph.D	4	1.6
Occupation	Company Employee	166	67.5
	Government Employee	24	9.8
	Self-Employed	32	13
	Student	24	9.8
Income level (MMK)	Below 250,000	20	8.1
	250,001 to 500,000	95	38.6
	500,001 to 1,000,000	87	35.4
	Above 1,000,000	44	17.9
Length of KBZ Pay usage (Years)	Less than 1	34	13.8
	1 to 3	87	35.4
	3 and above	125	50.8

Source: Survey data, 2023

Out of the sample 246, it was found that 96 respondents are male (39%) of the total respondents and the rest 150 respondents (61%) are female. Therefore, the distribution of questionnaires which female respondents are more concerned about survey than male respondents.

Age group of the respondents is classified into five group: starting from between 18 years and 28 years, 29 years and 38 years, 39 years and 48 years, 49 years and 58 years, 59 years and above. The most of the respondents are in 29 - 38 years old and they are 109

respondents (44.3%). While those who are in18 - 28 years old are 82 respondents (33.3%) in total. There are 40 respondents (16.3%) and 15 respondents (6.1%) whose age are 39 - 48 years and 49 - 58 years old. There are no respondents aging 65 years old and above involved in this study.

There are four categories of samples for education as under-graduate, graduated, master and Ph.D. The most of the respondents are graduated which is 170 respondents (69.1%). While those who are in master degree showed 48 respondents (19.5%). Respondents who are in Ph.D level and under- graduate are 4 (1.6%) and 24 (9.8%) respectively.

The customers included in the sample are classified by their occupational status as company employee, government employee, self- employed and student. The most of respondents are company employee, which are 166 respondents (67.5%). Self- employed respondents are 32 (13%). Students and government employee are also using KBZ Pay and they represent 24 respondents (9.8%) respectively of the total respondents.

The respondents by income level are classified by four categories, which are below 250,000 MMK, 250,001 to 500,000 MMK, 500,001 to 1,000,000 MMK and above 1,000,000 MMK. According to survey, the most of respondents earned 250,000 - 500,000 MMK which 95 respondents (38.6%) and followed by those who earned 500,001 - 1,000,000 MMK and more than 1,000,000 MMK are 87 (35.4%) and 44 (17.9%). Lastly, 20 respondents (8.1%) earned below 250,000 MMK.

Length of KBZ Pay services usage is divided into three groups which are less than 1 year, 1 to 3 years and 3 years and above. According to survey data, 125 (50.8%) of respondents had been used the most of KBZ Pay services as customers between 3 years and above. Secondly, 87 (35.4%) of customers had been used KBZ Pay services between 1 to 3 years. The least customers group is less than 1 year usage group which is 34 (13.8%).

4.4 Analysis on Influencing Factors of KBZ Pay Usage Behavior

In this survey, four variables (perceived usefulness, perceived ease of use, social influence and perceived trust) with 20 survey questions are used to explore the effects on usage behavior. According to Tan and Teo (2000), the average mean of 1.00-1.80 is very low agreement level, the average mean of 1.81-2.60 is low agreement level, the average mean of 2.61-3.40 is medium agreement level, the average mean of 3.41-4.20 is high agreement level and the average mean of 4.21-5.00 is very high agreement level.

4.4.1 Perceived Usefulness

Table (4.10) shows the mean and standard deviation of the perceived usefulness on KBZ Pay.

Table (4.4) Perceived Usefulness

No.	Description	Mean	Standard Deviation
1	KBZ Pay helps to keep track of user's day to day income and expenses.	3.53	.845
2	KBZ Pay enable users to carry out the daily transactions quickly.	3.74	.800
3	KBZ Pay enhance the effectiveness in making payments.	3.83	.806
4	KBZ Pay is accepted at many shopping centers, restaurants and entertainment locations.	4.04	.931
5	Services features of KBZ Pay are useful and convenient for users.	3.91	.853
	Overall Mean	3.81	

Source: Survey data, 2023

According to Table 4.4, the overall mean on the perceived usefulness is 3.81 and the mean values of all variable ranges are between 3.53 to 4.04. It can be presented that the customers have positive attitude in terms of their decision to continue using KBZ Pay. It was noted that most of the respondents agreed that the KBZ Pay is useful and strongly agreed on using KBZ Pay would improve their banking performance.

4.4.2 Perceived Ease of Use

Table (4.5) shows the mean and standard deviation of the perceived ease of use on KBZ Pay.

Table (4.5) Perceived Ease of Use

No.	Description	Mean	Standard Deviation
1	Learning to use KBZ Pay is easy.	4.24	.850
2	Users can quickly become proficient in using services of KBZ Pay.	4.02	.790
3	The procedures of KBZ Pay (steps of making payment, transfer fund, etc) are simple.	4.05	.840
4	Users can comfortably use KBZ Pay from anywhere at any time.	4.17	.843
5	KBZ Pay is user-friendly and easy to use.	4.16	.881
	Overall Mean	4.13	

Source: Survey data, 2023

According to Table 4.5, the overall mean on the perceived ease of use is 4.13 and the mean values of all variable ranges are between 4.02 to 4.24. It was noted that the respondents highly agreed that reaching proficiency in using KBZ Pay within a short time is possible to them. The majority of the users show approval for the ease of use characteristic of KBZ Pay services.

4.4.3 Social Influence

Table (4.6) shows the mean and standard deviation of the social influence on KBZ Pay.

Table (4.6) Social Influence

No.	Description	Mean	Standard Deviation
1	Family and people who are important affect the intention to use KBZ Pay.	3.39	1.043
2	Friends and colleagues encourage to use KBZ Pay.	3.48	1.008
3	Groups that interact with on Facebook recommend to use KBZ Pay.	3.30	1.005
4	KBZ Pay is used because most of the people also use it.	3.83	.881
5	The staffs of KBZ Bank assist technical support to use KBZ Pay.	3.80	.966
	Overall Mean	3.56	

Source: Survey data, 2023

According to table 4.6, the overall mean on the social influence is 3.56 and the mean values of all variable ranges are between 3.30 to 3.83. It seems that more than half of the customers was used KBZ Pay because of the people who can influence their intention to use it. Moreover, it was noted that the staffs of KBZ Bank can encourage them for the usage of KBZ Pay services. The opinion of family, friends, colleagues and celebrities are influential to the own opinion of individual.

4.4.4 Perceived Trust

Table (4.7) shows the mean and standard deviation of the perceived trust on KBZ Pay.

Table (4.7) Perceived Trust

No.	Description	Mean	Standard Deviation
1	Payments transactions through KBZ Pay are processed accurately.	3.97	.760
2	Financial transactions of KBZ Pay are reliable.	4.15	.877
3	KBZ Pay will not share the information (personal details, payment history) to third parties without any permission.	4.14	.991
4	Every transaction of KBZ Pay is secured with OTP and PIN numbers.	4.23	.853
5	KBZ Pay is more secured and trusted because KBZ bank has a good reputation.	3.91	.977
	Overall Mean		4.08

Source: Survey data, 2023

According to table 4.7, the overall mean on the perceived trust is 4.08 and the mean values of all variable ranges are between 3.91 to 4.23. They perceive that KBZ Pay would take any action to protect their privacy and financial services. More than average respondents are trusted in KBZ Pay which is a good sign for the company. The more the customers trust on KBZ Pay, the higher chances of continue using the services.

4.4.5 Overall Mean Score of Influencing Factors

This part of the study indicates the mean score of influencing factors on usage behavior of KBZ Pay.

Table (4.8) Overall Mean Score

No.	Variable	Mean
1	Perceived Usefulness	3.81
2	Perceived Ease of Use	4.13
3	Social Influence	3.56
4	Perceived Trust	4.08

Source: Survey data, 2023

Table (4.8) shows that overall mean score of variables in which perceived ease of use and perceived trust have highest mean scores with 4.13 and 4.08. All the variables have highest agreement level. According to the overall mean score, the customers are agreed that KBZ Pay is useful, convenient, easy to use and understand. Moreover, social influence affect their usage of KBZ Pay. Making financial transactions with KBZ Pay is reliable, accurate and safe for them. Therefore, the four independent variables influenced on the usage behavior of KBZ Pay services.

4.4.6 Usage Behavior

Table (4.9) shows the mean and standard deviation of the usage behavior on KBZ Pay.

Table (4.9) Usage Behavior

No.	Description	Mean	Standard Deviation
1	Making payments with KBZ Pay for purchasing online goods and services (shopping on Facebook, ordering foods…).	3.81	.741
2	Making payments at stores (convenience stores, restaurants, supermarkets, petrol stations…).	3.80	.757
3	Making bill payments (electricity, water, internet, top up…).	3.87	.787
4	Transfer money to others with KBZ Pay.	4.06	.884
	Overall Mean	3.89	

Source: Survey data, 2023

According to Table 4.9, the overall mean on the usage behavior is 3.89 and the mean values of all variable ranges are between 3.80 to 4.06. It seems that the customers have positive feedback on usage behavior of KBZ Pay. Most of the respondents strongly agreed that they frequently transfer money to others with KBZ Pay. The more they like to use KBZ Pay, the more chances they are likely to be loyal customers.

4.4.7 Brand Loyalty

Brand loyalty is important to retain the customers for long term. Table (4.10) shows the mean and standard deviation of KBZ Pay's brand loyalty.

Table (4.10) Brand Loyalty

No.	Description	Mean	Standard Deviation
1	Intend to continue using KBZ Pay in my daily life.	3.81	.7417
2	Regular usage of KBZ Pay in future.	3.80	.7576
3	Increase usage frequency of KBZ Pay in future.	3.87	.7872
4	Compared with other brands, more prefer to use KBZ Pay.	4.06	.8849
5	Recommend to use KBZ Pay to my families, friends and colleagues.	4.15	.7810
	Overall Mean		3.94

Source: Survey data, 2023

According to Table 4.10, the overall mean on brand loyalty is 3.94 and the mean values of all variable ranges are between 3.80 to 4.15. It was noted that many respondents like to use KBZ Pay regularly, recommend to others to use, increase usage frequency and they would be loyal to the brand.

4.5 Effect of Influencing Factors on Usage Behavior and Brand Loyalty

In this study, linear regression model is used to identify influencing factors on usage behaviors. Table (4.11) shows the effect of influencing factors on usage behavior.

Table (4.11) Effect of Influencing Factors on Usage Behavior

Variable	Unstandardized Coefficients		Beta	t	Sig	VIF
	B	Std. Error				
(Constant)	.661	.174		3.801	.000	
Perceived Usefulness	.197**	.066	.192	2.977	.003	2.546
Perceived Ease of Use	.118*	.068	.127	1.743	.083	3.265
Social Influence	.198***	.047	.228	4.247	.000	1.769
Perceive Trust	.314***	.061	.353	5.135	.000	2.897
R Square	.606					
Adjusted R Square	.599					
Durbin- Watson	1.988					
F Value	92.629***					

Source: Survey data, 2023

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

As shown in Table (4.11), R square value is 0.606 that is 60.6% of the variance in usage behavior is inluenced by the four factors. Adjusted R square value is 0.599 that indicates 59.9% of the changes in the usage behavior of KBZ Pay is determined by the changes in the four variables. If every 1 unit increases in perceived usefulness help customers' usage to increase 0.197 units at 5% level. As perceived ease of use, social influence and perceived trust are significant, these three variables help to increase the usage. All the four factors have the positive values and each of the four factors influence usage behavior of KBZ Pay.

The four independent variables have the significant values. Social influence and perceived trust have significant value 0.198 and 0.314, thus, this two variables have the highest influence to increase the usage of KBZ Pay. The perceived usefulness has significant value 0.197, so, it shows that this factor is also influenced on KBZ Pay usage .The last influencing factor on usage behavior is perceived ease of use which has 0.118 with 10% significant level. Moreover, F value (overall significance) is also significant at 1% level. All VIFs are less than 10 and it means that there is no multi-collinearly problems encountered among independent variables.

In summary, the overall evaluation shows that perceived usefulness, perceived ease of use, social influence and perceived trust have the significant influence on customer usage behavior of KBZ Pay. Thus, the model explains the effect of influencing factors on KBZ Pay's usage behavior. According to the result, social influence and perceived trust have the highest influence on the usage behavior.

4.6 Effect of Usage Behavior on Brand Loyalty

This section describes the relationship between usage behavior and brand loyalty of KBZ Pay.

Table (4.12) Effect of Usage Behavior on Brand Loyalty

Variable	Unstandardized Coefficients		Beta	t	Sig
	B	Std. Error			
(Constant)	.155	.039		3.944	.000
Consumer Usage	.973***	.010	.987	97.533	.000
R Square	.975				
Adjusted R Square	.975				
Durbin- Watson	1.825				
F Value	9512.734***				

Source: Survey data, 2023

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

According to the result of Table (4.12), it can explain well about the variation on the brand loyalty with usage behavior since R Square value is 97.5%. Adjusted R^2 stated 0.975, indicating that 97.5% of the changes in the brand loyalty is explained by the changes in the usage behavior of KBZ Pay. As B value is 0.973 at 1% significant level, for every unit increase in usage behavior, 0.973 unit increase in brand loyalty is predicted. As there is the positive relationship, the increase in usage behavior leads to increase in brand loyalty of KBZ Pay. Durbin-Watson value is 1.825 and thus, the sample is enough and not auto correlated. Moreover, the value of F test, the overall significance of the model, is highly significant at 1 % level.

In summary, consumer usage behavior has the significant influence on brand loyalty. If most of the customers perceive that KBZ Pay is beneficial to them, they intended to continue using the services. The repetitive usage behaviors over a period of time indicate the brand loyalty. Moreover, the satisfied customers gave the higher score on behaviors and brand loyalty. Therefore, usage behavior is used to reliably predict brand loyalty.

CHAPTER 5

CONCLUSION

This chapter presents the findings from the analysis on the influencing factors of KBZ Pay usage behavior and brand loyalty. There are four parts involved: first part is the findings and discussions according to the results of the study, second part is the suggestions and recommendations based on the analysis of the survey results and third part is the limitations of the study and the last past is the needs for further research.

5.1 Findings and Discussions

This study focused on the consumer usage behavior and brand loyalty of KBZ Pay. The totals of 246 customers who are already being customers of KBZ Pay were surveyed to analyze the usage behavior and brand loyalty to accomplish the main objectives of the research.

The study revealed that the effect of the usage behavior towards brand loyalty. The average score of perceived usefulness, perceived ease of use, social influence and perceived trust indicated that the customer of KBZ Pay to be psitively exerting the usage behavior on KBZ Pay. The result showed that the customer is highest agreed that perceived ease of use is influenced on KBZ Pay usage. Furthermore, perceived trust is also practicing highest influence on usage behavior. Thus, social influence and perceived trust are the factors, which have the largest impact on the overall result.

According to the finding of demographic data, demographic factors like gender, age group and educational status which are influenced the customers for using KBZ Pay. The female customers was used KBZ Pay more than male customers. The highest percentage of respondent age was 29 years to 38 years. The highest percentage of education level was graduated. According to the survey result, the KBZ Pay are more used by educated people. In occupational status, most of the respondents are company employee. According to the observation, the length of KBZ Pay services usage by respondents was 3 years and above.

The perceived usefulness has a significant influence on customer behavior to use KBZ Pay. By comparing B value of perceived usefulness to other variables in this study, the perceived ease of use has the third most significant effect on usage behavior of KBZ Pay. The perceived usefulness covers the availability of quicker payment using mobile wallet, the choice of safer payment transaction comparing to payment by cash, the help in conducting payment

transactions and a useful service in conducting any banking transactions. The analysis confirmed the fact that the perceived usefulness is a significant factor on usage behavior of KBZ Pay.

The perceived ease of use has a significant influence on customer behavior to use KBZ Pay. By comparing B value of perceived ease of use to other variables, the perceived ease of use has the fourth significant effect on usage behavior of KBZ Pay. In this study, perceived ease of use includes learning to use mobile wallet is easy, the interactions with mobile wallet is clear and well understood and ability to become skillful in mobile wallet utilization. This study found that perceived ease of use is a significant factor influencing the consumer usage behavior of KBZ Pay.

The social influence has a significant influence on customer behavior to use KBZ Pay. By comparing B value of social influence to other variables in this study, the social influence has the second most significant effect on usage behavior of KBZ Pay. In this study, the respondents are affected by the opinions of individual, group of reference and the mass communication. By the result of simple linear regression, the consumer usage behavior of KBZ Pay is influenced by social influence.

The perceived trust has a significant influence on customer behavior to use KBZ Pay. By comparing B value of perceived trust to other variables, the perceived trust has the most significant effect on usage behavior of KBZ Pay. Perceived trust includes mobile wallet systems as a trustworthy service, having good reputation in payment method, providing accurate and reliable financial services. This study's result mentioned the agreement on the finding that consumer usage behavior of KBZ Pay is influenced by perceived trust from customers.

The usage behavior has a significant influence on brand loyalty of KBZ Pay. The findings of the study, indicating that perceived usefulness, perceived ease of use, social influence and perceived trust was affected on using KBZ Pay. The statistical results show that social influence and perceived trust are the main important factors on the customer's usage behavior of KBZ Pay. There is a positive strong relationship between independent variables and dependent variables. The respondents gave the positive feedback on the usage behaviors and it positively influence on brand loyalty of KBZ Pay.

5.2 Suggestions and Recommendations

Based on the findings, some relevant recommendations and suggestions can be made for the improvement of KBZ Pay. Perceived usefulness has the significant effect on mobile wallet usage behavior, so KBZ Pay should consider to provide this availability to reach out to some target customers as there are possibility that those customers need the services.The customers always have a need for innovative mobile wallet services, which can bring improvement to their life quality and suit the modern lifestyle. Apart from constantly delivering services features that are time and effort savings and multipurpose, KBZ Pay should focus efforts in shaping customers' attitude regarding the usefulness of mobile wallet via marketing and advertising. Moreover, KBZ Pay should make the customers see the value of the mobile wallet payment system and how it gives the advantages to them over the payment transactions in their daily life.

Regarding perceived ease of use, the customers recognize the importance of the ease of learning, using and interacting with KBZ Pay. It should make to increase customer satisfaction by keeping the interaction between the customer and the mobile wallet simple and satisfactory. It should use icons with high understandability to help users navigate the system easily. Therefore, KBZ Pay should improve technology and processes, shorten the time it takes to use and increase the comfort and ease of transactions using KBZ Pay.

To increase the usage behavior, another factor to consider is to promote social influence which is one of the factors most strongly influencing the behavior of individual customers to use KBZ Pay. While advertisements and the media have greater effect on users, close or important ones and the society have more impact on non-users. The suggestion is KBZ Pay should focus marketing resources and efforts to the online platforms. KBZ Pay should be attentive to the capability of these communication channels of triggering electronic word-of-mouth. The ad message will be spread to family members, friends or colleagues of the person who viewed the advertisement. When the customer's social audience see them sharing content related to the KBZ Pay wallet, they will feel more inclined to learn about it.

When a customer finds his information could be precisely and safely protected by a technology, he would feel inclined to use it. For the suggestion and recommendation of trust, KBZ Pay should focus on building the trust of the customers and gaining their satisfaction. To gain the trust, KBZ Pay should have the abilities to guarantee its security for customers' wallet accounts and their payment transactions. Having a good reputation is another kind of retaining the customers and attracting the new customers. Moreover, immediate solutions should be

given for any mistake happening to the financial transactions. KBZ Pay should tighten the security to protect the customers' confidential information and eliminate fraud transactions by leveling up the technology and promote the security awareness to the customers. By doing this, customers may gain the trust on KBZ Pay and which may lead to be the loyal customers of KBZ Pay.

In this study, the four independent variables have significant influence on usage behavior of KBZ Pay. If KBZ Pay makes to increase the influencing factors, the usage of services will increase. If the customers have repeated usage behavior, the loyalty on the brand might happen. To increase usage frequency and brand loyalty, KBZ Pay should provide simple and strategic mobile wallet vouchers and cupons that is relevant to the customer needs. Another incentive for the users to transact more with KBZ Pay is cashback. Mobile wallet cashback rewards are easy to redeem, fun to use and straightforward to value.

5.3 Limitations of the Study

There are four limitations in this study. Firstly, due to the fact that mobile wallet is an online service which customers can get access to it and pay their transaction anytime and anywhere. This causes a barrier to this study that the exact number of customers who have experienced using KBZ Pay in Yangon is likely to be unknown. Thus, the population is unknown in this study.

Secondly, there is a limitation on independent variables as this study only choose 4 main variables, while actually there are many more factors influencing the customers' usage behavior of mobile wallet services. Therefore, the variables in this study might not be completed factors representing the way of usage behavior of different customers' characteristics.

Thirdly, this study encounters a struggle in evaluating how long the respondents have stayed in Yangon, so all people in Yangon are counted in the study without considering whether or not they are living permanently or temporarily.

Finally, because of the limitation on sample size, the survey questionnaire randomly sends out to respondents living in Yangon to get back high respond rate. However, the respondents are not chosen from exact areas in Yangon. Thus, this might not lead to the results which fully represent the whole population.

5.4 Needs for Further Research

This study only focuses on four factors influencing on KBZ Pay usage behaviors. However, there are additional factors which can impact on usage behavior. Further research is required to identify and evaluate other factors which can impact on KBZ Pay usage behavior and brand loyalty such as perceived cost, compatibility, perceived risks, accessibility etc. Due to the limited time period, this study only covers to only 246 KBZ Pay customers in Yangon and it is considerably small in comparison of total population of Myanmar and total KBZ Pay customers. Further research should be conducted in other areas which have the most usage rate aside to Yangon. Moreover, further research should extend to the KBZ Pay's agent network who deals with the customers on daily basic.

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APPENDIXES

Appendix (A): Questionnaires

YANGON UNIVERSITY OF ECONOMICS

DEPARTMENT OF COMMERCE

MASTER OF BANKING AND FINANCE (MBF) PROGRAMME

"Consumer Usage Behavior and Brand Loyalty of KBZ Pay"

PART 1- Demographic Profile

Gender*

- o Male
- o Female

Age*

- o 18- 28 years
- o 29– 38years
- o 39 – 48 years
- o 49 – 58 years
- o 59 years and above

Education Status*

- o Under- graduate
- o Graduated
- o Master
- o Ph.D

Occupational Status*

- o Student
- o Self-Employed
- o Government Employee
- o Company Employee

Monthly Income*

- o Below 250,000 MMK
- o 250,001 – 500,000 MMK
- o 500,001 – 1,000,000 MMK
- o Above 1,000,000 MMK

Length of KBZ Pay Services Usage*

- o Less than 1 year
- o 1 – 3 years
- o 3 years and above

PART-2

Analysis on Influencing Factors of KBZ Pay Usage Behavior

Based on your experience with KBZ Pay, please state the level of your agreement as to the following factors. Thank you for your precious time to participate in this survey.

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

Perceived Usefulness

No.	Statement	1	2	3	4	5
1	KBZ Pay helps me to keep track of my day to day income and expenses.					
2	Using KBZ Pay would enable me to carry out my daily transactions quickly.					

3	Using KBZ Pay would enhance the effectiveness in making payments.					
4	KBZ Pay is accepted at many shopping centers, restaurants and entertainment locations.					
5	Services features of KBZ Pay are useful and convenient for me.					

Perceived Ease of Use

No.	Statement	1	2	3	4	5
1	I can easily learn to use KBZ Pay.					
2	I can quickly become proficient in using services of KBZ Pay.					
3	The procedures of KBZ Pay (steps of making payment, transfer fund, etc) are simple to me.					
4	I can comfortably use KBZ Pay from anywhere at any time.					
5	KBZ Pay is user-friendly and easy to use.					

Social Influence

No.	Statement	1	2	3	4	5
1	Family and people who are important to me affect my intention to use KBZ Pay.					
2	Friends and colleagues encourage me to use KBZ Pay.					
3	Groups that I interact with on Facebook recommend me to use KBZ Pay.					
4	I use KBZ Pay because the people I know also use it.					
5	The staffs of KBZ Bank assist me technical support to use KBZ Pay.					

Perceived Trust

No.	Statement	1	2	3	4	5
1	Payments transactions through KBZ Pay are processed accurately.					
2	Financial transactions of KBZ Pay are reliable.					
3	KBZ Pay will not share my information (personal details, payment history) to third parties without my permission.					
4	Every transaction of KBZ Pay is secured with OTP and PIN numbers.					
5	I feel KBZ Pay is more secured and trusted because it has a good reputation.					

Usage Behavior

No.	Statement	1 (Never)	2 (Rarely)	3 (Sometimes)	4 (Always)	5 (Often)
1	I am using KBZ Pay to make payments for purchasing online goods and services (shopping on Facebook, ordering foods…).					
2	I am using KBZ Pay to make payments at stores (convenience stores, restaurants, supermarkets, petrol stations…).					
3	I am using KBZ Pay to make bill payments (electricity, water, internet, top up…).					
4	I am using KBZ Pay to transfer money.					

Analysis on the Effect of Usage Behavior on Brand Loyalty

Brand Loyalty

No.	Statement	1	2	3	4	5
1	I intend to continue using KBZ Pay in my daily life.					
2	I will use KBZ Pay on a regular basis in future.					
3	I will increase usage frequency of KBZ Pay in future.					
4	Compared with other brands, I prefer to use KBZ Pay.					
5	I will recommend to use KBZ Pay to my families, friends and colleagues.					

Appendix (B): Regression

Gender*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	150	61.0	61.0	61.0
	Male	96	39.0	39.0	100.0
	Total	246	100.0	100.0	

Age*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18- 28 years	82	33.3	33.3	33.3
	29– 38years	109	44.3	44.3	77.6
	39 – 48years	40	16.3	16.3	93.9
	49 – 58years	15	6.1	6.1	100.0
	Total	246	100.0	100.0	

Education Status*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduated	170	69.1	69.1	69.1
	Master	48	19.5	19.5	88.6
	Ph.D	4	1.6	1.6	90.2
	Under-graduate	24	9.8	9.8	100.0
	Total	246	100.0	100.0	

Occupational Status*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Company Employee	166	67.5	67.5	67.5
	Government Employee	24	9.8	9.8	77.2
	Self-Employed	32	13.0	13.0	90.2
	Student	24	9.8	9.8	100.0
	Total	246	100.0	100.0	

Monthly Income*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	250,00 – 500,000MMK	95	38.6	38.6	38.6
	500,001–1,000,000 MMK	87	35.4	35.4	74.0
	Above 1,000,000MMK	44	17.9	17.9	91.9
	Below 250,000 MMK	20	8.1	8.1	100.0
	Total	246	100.0	100.0	

Length of KBZ Pay Services Usage*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 – 3 years	87	35.4	35.4	35.4
	3 years and above	125	50.8	50.8	86.2
	Less than 1 year	34	13.8	13.8	100.0
	Total	246	100.0	100.0	

Reliability Statistics

Cronbach's Alpha	No. of Items
.826	5

Item Statistics

	Mean	Std. Deviation	N
PU1	3.537	.8456	246
PU2	3.744	.8002	246
PU3	3.837	.8068	246
PU4	4.045	.9313	246
PU5	3.919	.8533	246

Reliability Statistics

Cronbach's Alpha	No. of Items
.910	5

Item Statistics

	Mean	Std. Deviation	N
PEU1	4.244	.8508	246
PEU2	4.020	.7900	246
PEU3	4.057	.8408	246
PEU4	4.179	.8431	246
PEU5	4.167	.8810	246

Reliability Statistics

Cronbach's Alpha	N of Items
.847	5

Item Statistics

	Mean	Std. Deviation	N
SI1	3.398	1.0439	246
SI2	3.480	1.0089	246
SI3	3.301	1.0056	246
SI4	3.833	.8810	246
SI5	3.805	.9660	246

Reliability Statistics

Cronbach's Alpha	No. of Items
.896	5

Item Statistics

	Mean	Std. Deviation	N
PT1	3.976	.7609	246
PT2	4.159	.8779	246
PT3	4.146	.9913	246
PT4	4.236	.8531	246
PT5	3.911	.9774	246

Reliability Statistics

Cronbach's Alpha	No. of Items
.864	4

Item Statistics

	Mean	Std. Deviation	N
UB1	3.817	.7417	246
UB2	3.805	.7576	246
UB3	3.870	.7872	246
UB4	4.069	.8849	246

Reliability Statistics

Cronbach's Alpha	No. of Items
.890	5

Item Statistics

	Mean	Std. Deviation	N
BL1	3.817	.7417	246
BL2	3.805	.7576	246
BL3	3.870	.7872	246
BL4	4.069	.8849	246
BL5	4.150	.7810	246

Descriptive Statistics

	N	Mean	Std. Deviation
Perceived_Use	246	3.8163	.65183
Perceived_ease	246	4.1333	.72198
Social_Influence	246	3.5634	.77352
Perceive_Trust	246	4.0854	.75357
Consumer_usage	246	3.890	.65288
Brand_Loyalty	246	3.9423	.66030
Valid N (listwise)	246		

Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.778a	.606	.599	.42395	1.988

a. Predictors: (Constant), Perceive_Trust, Social_Influence, Perceived_Use, Perceived_ease

b. Dependent Variable: U_B

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	66.595	4	16.649	92.629	.000b
	Residual	43.317	241	.180		
	Total	109.912	245			

a. Dependent Variable: Consumer_usage

b. Predictors: (Constant), Perceive_Trust, Social_Influence, Perceived_Use, Perceived_ease

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.661	.174		3.801	.000		
	Perceived_Use	.197	.066	.192	2.977	.003	.393	2.546
	Perceived_ease	.118	.068	.127	1.743	.083	.306	3.265
	Social_Influence	.198	.047	.228	4.247	.000	.565	1.769
	Perceive_Trust	.314	.061	.353	5.135	.000	.345	2.897

a. Dependent Variable: Consumer_usage

Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.987a	.975	.975	.10463	1.825

a. Predictors: (Constant), Consumer_usage

b. Dependent Variable: Brand_Loyalty

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	104.149	1	104.149	9512.734	.000[b]
	Residual	2.671	244	.011		
	Total	106.820	245			

a. Dependent Variable: Brand_Loyalty

b. Predictors: (Constant), Consumer_usage

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.155	.039		3.944	.000
	Consumer_usage	.973	.010	.987	97.533	.000

a. Dependent Variable: Brand_Loyalty

Calculation of sample size

Population size is unknown, population proportion is 20%, confidence interval is 95%, margin of error is 5%. z value at reliability level 95% is 1.96

- o   n = sample size, p = population proportion , e = margin of error

$$n = \frac{p(1-p)z2}{e2}$$

$$n = 0.2\frac{(1-0.2)1.96^2}{(0.05)^2} = 246$$