



**THE EFFECT OF SERVICE QUALITY ON CUSTOMER
LOYALTY: STUDY ON THE CUSTOMERS OF A PLUS DIGITAL
WALLET OF A BANK, YANGON**

A Thesis Presented

by

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ABSTRACT

The main objectives of this study are to identify the effect of service quality on customer loyalty A + Plus Digital wallet of A Bank. The Main Objectives of the study are: to examine the service quality on A + plus digital wallet service to effect of customer loyalty. To achieve these objectives, the primary data of this study are collected from the responsible persons of A Plus, A Bank and also from 200 respondents who use the A + plus digital wallet service by using the structured questionnaires with five-point Likert scale and multi-stage sampling method. Secondary data is collected from journals, articles, text books and websites. According to the findings, it is proven that digital wallet services quality such as reliability, responsiveness, assurance and empathy have significant impact on customer loyalty. Tangibility has no significant effect on service quality.

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ABBREVIATION

A	Ayeyarwady Farmers Development Bank
AYA	Ayeyarwady Bank
KYC	Know Your Customer
MAB	Myanmar Apex Bank
VISA	Visa International Service Association
KBZ	Kanbawza Bank

CHAPTER I

INTRODUCTION

In Myanmar, private banks tried to introduce digital wallet banking service to their customers. Myanmar banks are offering their clients access to their financial accounts from their digital wallet. All banks provide digital wallet service in order to attract many customers and also serve a variety of digital wallets. Banks intend to know about the service quality of their services and to achieve customers' loyalty towards their services so that they can know their strength and weakness. Using that can fix their weakness and increase their strength. Moreover, they can offer more services in the future based on the needs and wants of their customers. It is important to match customers' expectations to prove their loyalty in the banking industry. However, previously less attention to address the effect of service quality on customer loyalty.

A digital wallet, also known as an e-wallet, is an electronic device, online service, or software program that allows one party to make electronic transactions with another party bartering digital currency units for goods and services (wiki, n.d.) E-wallet becomes very popular among bank customers in recent years. A bank or other financial institution provides online service and the customers can do financial transactions with electronic devices such as a smartphone or tablet. With the help of online service, people are able to perform banking activities at home via the internet without the need to wait to get banking service. It is not necessary for people to go to the bank to be able to do banking activities. It provides various banking services such as fund transfer, bill payment, mobile phone top-up, online shopping, donation, etc. It benefits not only the customers but also the bank because the banks can expand their market share at low cost.

Digital wallet is hoping to win their confidence through user-friendly products. Myanmar has started a digital wallet with several companies. Moreover, digital wallet is leveraged on Myanmar's rapid development and increase mobile and internet. Based on the recent news, adoption of digital wallets has received more attention in recent years, because there are more mobile phone users than computer users in the market. Technology is performing a key role in the global and is taking over in every way. Digital wallet service is ever developing technology advancements and it is a different way of banking, as it gets simpler for customers to contact their finances, even from the

countryside or inaccessible areas. Therefore, the banks in Myanmar tried to introduce online service or e-wallet to their customers. At the launching of digital wallet service, most people in Myanmar opposed the idea of the service due to their concern about security issues. Nowadays, they gradually accept and trust the digital wallet or online service. Therefore, many banks in Myanmar offer digital wallets or e-wallet in order to attract many customers. The digital wallet service providing Myanmar banks include YOMA, A Bank, KBZ, AYA, CB and MAB, etc. In very competitive market, it is necessary for banks to satisfy customer's satisfaction and to achieve customer's loyalty towards their services so that they can know their strengths and weaknesses. By using that knowledge, they can fix their weakness and increase their strength. Moreover, they can provide more services in the future based on the needs and wants of their customers.

Therefore, this study intends to explore the customer loyalty on service quality of A Plus digital service towards A bank, Myanmar. This study can give better ways to provide digital wallet service so that they can meet the A + customer gain the service quality towards customer loyalty also gaining more market share and success in the fintech financial service market.

1.1 Background Information of the Study

November 14, 2021, A Bank announced the official launch of A+ Digital Wallet financial service in Myanmar. A+ (A Plus) is a mobile financial service powered by A bank, delivering a new era of digital finance for Myanmar. The digital wallet mobile payment app powered by A bank allows everyone to enjoy fast, simple, easy and safe online payments - anytime, anywhere for customer daily lives. Customers can send and receive money to anyone in Myanmar using either the A+ mobile app or agents and A bank branches. A+ will work in partnership with agents, merchants and other digital companies to create a fintech platform and enrich payment experiences for everyone across the country. With A+ Digital wallet, customers can transfer money, cash in, cash out, top up prepaid phone bills, pay for internet service, bill payment and can pay with QR code at any store that has A+ signage. And customers can buy iTunes gift cards, other gift cards and can cash-in with any MPU and VISA from any bank in the world. From A+ wallet account, customers can send money to anyone in Myanmar, and digital wallet to digital wallet transfer is zero transfer fee.

Through an unyielding focus on quality, innovation and customer loyalty, the company has grown many-fold from its humble beginnings, becoming the leading brand in the market. A+ (A Plus) enjoys a commanding market share in the instant digital wallet space and is one of the most widely distributed products in Fintech. A+ (A Plus) believes that an organization's success is totally dependent on customer loyalty. Customer loyalty is important because many organizations allocate a large portion of their resources to pursue this objective. One of the ways to achieve consumer's loyalty is through effective marketing strategies which are developed around the identification of consumers' expectations using such dimensions as product, price, place, promotion along with organization's distinctive competence.

1.2 Problem Statement of the Study

Myanmar economy changes after the pandemic in 2019. Digital wallets from ASEAN countries and other Asian countries gradually grow into the Myanmar market. They are also trying to get market shares for their products. A+ digital wallet is leading and coming to fintech financial service industry in Myanmar. Fintech financial service industry is feeling the threat of fierce competition because of getting reduced sales volume. Top management realized that customer loyalty and service quality is very necessary to maintain sales volume. The research proposal aims to explore how much customer's loyalty and how service quality on A+ (A Plus) Digital Wallet of A Bank in Myanmar.

1.3 Objective of the Study

The study focuses on the effect of service quality on customer loyalty towards A plus digital wallet of A Bank. In order to know these results, two objectives are set. The objectives of the study are as follows:

- (1) To identify the customer perception on service quality of A Plus digital service towards A bank, in Yangon.
- (2) To analyze the effect of service quality on customer loyalty of A Plus digital service towards A bank, in Yangon.

1.4 Research Questions of the Study

According to the research objectives, the following research questions are set for this study;

- Does tangibility have significant influence on the customer loyalty towards digital wallet of A bank, Myanmar?
- Does reliability have significant influence on the customer loyalty towards digital wallet of A bank, Myanmar?
- Does responsiveness have significant influence on the customer loyalty towards digital wallet of A bank, Myanmar?
- Does empathy have a significant influence on the customer loyalty towards digital wallet of A bank, Myanmar?
- Does assurance have significant influence on the customer loyalty towards digital wallet of A bank, Myanmar?

1.5 Scope and Limitation of the Study

This research focuses only on the effect of customer loyalty of A Plus digital wallet towards A bank in Yangon, not the whole country due to limited time and other resources. Data collection is done based on primary data as well as secondary data. Primary data were collected from the surveys of the customers who are using A+ digital wallet service. The data collection period is from February to March 2023. During this period, the data regarding the customer loyalty on A+ digital wallet service in Yangon was collected with a structured questionnaire. As research participants, total samples of 200 customers were collected by convenience sampling method among the total 15,000 A+ agents and company staff of A bank in Yangon Region. Secondary data were collected from A bank's authorized persons, official websites, textbooks, relevant books, previous research papers, respective organizations and internet websites.

1.6 Organization of the Study

This paper is organized into five chapters. Chapter one is the introduction, background information of the study, problem statement of the study, objectives of the study, research questions of the study, scope and limitation of the study and organization of the study. Chapter two includes literature review of service quality and customer loyalty, previous studies and conceptual framework of the study. Chapter

three presents the profile of A bank and its A+ digital wallet service. Chapter four presents the analysis of the effect of service quality on customer loyalty of A Plus digital service towards A bank, Myanmar. Finally, chapter five covers discussion of findings, conclusions, suggestions and recommendations and suggestions for further studies.

CHAPTER II

LITERATURE REVIEW

This chapter presents service quality theory. It also presents the related literature review for customer loyalty, tangibility, reliability, responsiveness, assurance and empathy. Furthermore, it includes previous studies and conceptual framework of the study.

2.1 Definition of Services

Service has traditionally been difficult to define, in part because of its diversity (Wirtz, 2011). For example, consumer services include airlines, banking and finance, insurance, health and telecommunications; business services include accountancy, architecture, engineering, legal services, and management consulting. The service marketing literature offers various definitions of service. Services are behavioral rather than physical entities; they have been described as deeds, performances or efforts (Parasuraman, A., Zeithaml, V. A., & Berry, L. L., 1988) and activities or process (Gronroos, 1990). According to (Kothari, 1988), service represents any activities of a more or less intangible nature that normally, but not necessarily, takes place in the interaction between the customer and service employees and/ or physical resources or goods and/ or systems of the service provider, which are provided as solutions to customer problems. (Kolter, 1997) defines service as “any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product”.

2.2 Service Quality of A-Plus E-Wallet

Customer service can be described as the totality of what the organization does add value to its products and services in the eyes of the customer. Quality is described as the measurement of how well the products or services of the organization conforms to the customers’ wants and expectation. Another way to look at this issue is to say that quality of the organization to meet or exceed customer expectation and to achieve customer loyalty.

The digital wallet mobile payment app powered by A bank allows everyone to enjoy fast, simple, easy and safe online payments - anytime, anywhere for customer daily lives. Customers can send and receive money to anyone in Myanmar using either

the A-Plus e-wallet or agents and A bank branches. A-plus will work in partnership with agents, merchants and other digital companies to create a fintech platform and enrich payment experiences for everyone across the country. With A plus e-wallet, customers can transfer, cash in, cash out, remittance, top up prepaid phone bills, pay for internet service, bill payment and can pay with QR code at any store that has A plus signage. Customers can buy iTunes gift cards, other gift cards and can cash-in with any MPU and VISA from any bank in the world. From A-plus e-wallet account, customers can send money to anyone in Myanmar, and digital wallet to digital wallet transfer is zero transfer fee.

Service quality refers to the level of excellence or superiority of a company's services in meeting the needs and expectations of its customers. It is the degree to which a service meets or exceeds customer expectations, and it can be assessed through various factors such as tangibility, reliability, responsiveness, assurance and empathy. Offering the quality of goods and services in the 20th century is not only to appease the clients but also to have a safe place. Indeed, this has helped the clients considerably on using qualitative products (Bennett & Rundle-Thiele, December 2004). Ghylin et al. (2008) points out that by defining service quality, companies were able to deliver services with higher quality levels, presumably resulting in increased customer satisfaction. Service quality to companies is emphasized here, especially the fact that it offers a competitive advantage to companies that strive to improve it and hence bring customer loyalty.

In the service provider industry, service quality greatly affects business continuity in the long term. According to Usmara (2008), “service quality is a behavior that arises from the comparison between customer expectations of the company's service quality perceived by customers”. Meanwhile, according to Hardiyansyah in Saputra et al. (2021), “service quality is a dynamic state that is directly related to services, products, processes, and people whose quality is evaluated during the delivery of public services”. Tjiptono and Chandra (2011: 180) found that service quality will be a benchmark for how well the level of service provided to meet and exceed customer expectations. Meanwhile, according to Parasuraman et al. (1988), “service quality is an attitude assessment associated with perceived service excellence”. Service providers must further improve the quality of their services because customers will evaluate each service or product used or purchased. Furthermore, perceived service quality is a customer's assessment of the service or product standards that are felt during using and

consuming the services or products offered by service providers Jiang, Lu, & Wang (2006). So, it is very important for service providers to maintain service quality so that it is always good.

2.3 Dimension of Service Quality

Digital wallet service quality is one of e-service quality as well. From numerous studies, it was found service quality plays an important role in customer service. It will help companies and organizations gain competitive advantages. Number of successful business people over the years have recognized the significance of client pride and output of it in a company result (Vavra, 2002)

To build the service management it is important to understand what consumers are really looking for. Clients anticipate the quality of service through stores, so, the service sellers have to assess how clients realize the quality of the "services feature" indicated by the apparent service quality basis (Maharjan & Khadka, 2017)

The most popular model used for evaluation of service quality is SERVQUAL. For the measurement of service quality Parasuraman et al, (1988) created the SERVQUAL instrument. This instrument used the following variables; tangible, reliability, responsiveness, assurance, and empathy. With the growth of online network service, it changes the communication between the company and customers.

Service quality can be defined as the difference between customer's expectation for service performance prior to the service encounter and their perception of the service received. Service quality on digital wallet service has an impact on customer loyalty. Digital wallet is one of the technological innovations in the micro financial service, allowing customers to complete financial transactions through mobile devices. User with different levels of requirements of information and service of the company. Users access mobile devices to promptly acquire information on their account balance and payment. Furthermore, due to the high perceived risk, building customer trust and loyalty would contribute to their service satisfaction on digital wallet. Service quality is a very important construct to understand by firms by knowing how to measure it and making necessary improvements in its dimensions where appropriate, especially in areas where gaps between expectations and perceptions are wide. Service quality is a key component of a company strategy as well as customer preservation and invention repurchase. To increase the service quality should offer ideas and service to customers. The digital wallet product and service its features, functions, reliability and support are

important for customer satisfaction service and loyalty. Digital wallet customers usually use the apps daily. Besides using the apps, they also act as a network to reach other people by sharing the use of service quality experience. so wallet consumer confidence has a positive belief and faith in their apps and applications.

The SERVQUAL model is one of the most underlying used tools to evaluate service quality. SERVQUAL comprises a rundown of 10 measurements (reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the customer and tangibility) to gauge service quality. Later in 1988, these 10 dimensions were cut down to five: tangibility, reliability, responsiveness, assurance and empathy. According to (Parasuraman, Zeithaml, & Berry, 1985), five principal dimensions that customers use to judge service quality include tangibility, reliability, responsiveness, assurance and empathy as shown below:

- Tangibility alludes to physical facilities, equipment, representatives and specialized instruments.
- Reliability alludes to the capacity to satisfy the promises effectively and without a doubt.
- Responsiveness alludes to the specialist co-op's aim and eagerness to help the clients and to diagram the prompt administrations.
- Assurance alludes to the workers' learning and humbleness and capacity to pass on trust and earnestness.
- Empathy alludes to accommodating individual care and thoughtfulness regarding the client.

2.3.1 Tangibility

This element creates credibility and trust for customers, which is considered through professional services, excellent technical knowledge, attitude courtesy, and good communication skills, so that customers can believe in the quality of the firm's services. Assurance refers to the knowledge, competence, and courtesy of the service providers and their ability to instill trust and confidence in customers. Employee's knowledge and courtesy and their ability to inspire trust and confidence. (Zeithaml, Bitner, & Gremler, 2017)

When customers feel assured that they are receiving high-quality service from knowledgeable and competent service providers, they are likely to trust the company

and feel confident in their decision to continue using its services. examples of how assurance can impact customer loyalty:

1. **Competence:** Customers expect service providers to be knowledgeable and competent in their area of expertise. This means having the necessary skills and expertise to perform the service effectively and efficiently.
2. **Trustworthiness:** Customers are more likely to remain loyal to a company if they feel that they can trust its service providers. This involves building trust through open communication, transparency, and consistency.
3. **Responsiveness:** Service providers who are responsive to customer needs and concerns can help to build customer loyalty. This includes factors such as timely responses to inquiries and effective problem resolution.

Assurance is an important factor in knowledge, competence, trustworthiness and res service providers can instill trust and confidence in customers, which can lead to increased customer loyalty.

2.3.2 Reliability

Reliability shows the ability to provide service accurately, on time and credibly (Parasuraman, Zeithaml, & Berry, 1985). It influences perceptions of the offering on such dimensions as quality, reliability, and durability—dimensions that are not readily visible to customers. (Kotler, Keller, & Chernev, Marketing Management 16 e, 2022) This requires consistency in the implementation of services and respects commitments as well as keeps promises to customers. Ability to perform the promised service dependably and accurately. According to (Zeithaml, Bitner, & Gremler, 2017), reliability is consistency or dependability of a measurement, test, or research results. It is the extent to which a method or procedure produces consistent and stable results over time and across different situations or conditions. There are different types of reliability that can be assessed in customer loyalty, including:

1. **Inter-rater reliability:** This measures the consistency of results when different raters or observers are involved in the measurement process.
2. **Internal consistency reliability:** This measures the consistency of results across different items or questions within the same measure.
3. **Test-retest reliability:** This measures the consistency of results when the same measure is administered to the same group of people on different occasions.

Reliability is essential because it ensures that the findings are valid and accurate. Without reliability, it is difficult to determine whether the results obtained from a measure are due to chance or are actually measuring what they are supposed to measure.

2.3.3 Responsiveness

This criterion measures the ability to solve the problem fast, deal with customers' complaints effectively and the willingness to help customers as well as meet the customers' requirements (Parasuraman, Zeithaml, & Berry, 1988). In other words, responsiveness is the feedback from banks to what customers want. Responsiveness is the "willingness to help customers and provide prompt service" (Zeithaml, Bitner, & Gremler, 2017).

Responsiveness is a key factor in building and maintaining customer loyalty. It refers to the ability of a company to respond quickly and effectively to the needs and concerns of its customers. There are several ways in which a company can demonstrate responsiveness to its customers.

1. **Quick response times:** When a customer reaches out to the company with a question or concern, it's important for the company to respond promptly. This can be done through a variety of channels, including email, phone, or social media.
2. **Personalized attention:** Customers appreciate when companies take the time to address their specific needs and concerns. Personalized attention can be given through personalized emails, phone calls, or even in-person interactions.
3. **Flexibility:** Companies that are willing to work with customers to find solutions to their problems or concerns are more likely to build customer loyalty. This may involve offering flexible return policies or providing the customized services.
4. **Follow-up:** Following up with customers after an interaction can show that a company cares about the satisfaction and wants to ensure that their needs were met. This can be done through personalized emails, phone calls, or even surveys.

Overall, being responsive to customers is critical in building and maintaining customer loyalty. By showing that a company values and respects its customers, the company can build long-term relationships and increase customer retention.

2.3.4 Assurance

Assurance is defined as “the employees’ knowledge and courtesy and the service provider’s ability to inspire trust and confidence” (Zeithaml et al., 2006). It includes the competence, courtesy, credibility and security. The person who communicates with the customer as a representative of the organization may convey the trust and confidence to the customers (Zeithaml et al., 2006).

Assuring service quality is a critical factor in building customer loyalty. Company understands the importance of providing exceptional service and ensuring customer meet the need of service and service quality is critical factor in building long-term relationships with customers. Some steps that businesses can to ensure service quality and customer loyalty;

1. **Clear Quality Standards:** Clearly define the quality standards that customers can expect when they use services. Includes processes and protocols that are in place to ensure consistent quality across all point. Customers should have a clear understanding of what they can expect from services and track performance against these standards.
2. **Training and Skilled Development:** Ensure that company staff member are knowledge, skill and tools they need to provide high-quality service. Training should be ongoing process that cover everything from technical and soft skills like communication and customer service. so can create a culture of continuous improvement that translates into better service quality for customers.
3. **Customer feedback and act on it:** customer feedback is a valuable tool for understanding how customers perceive company service. Customer feedback to improve service quality. ensure that feedback is improve service quality. Ensure that feedback is acted upon promptly and customers are kept informed of the actions being taken to address their concerns and their opinions. insights help us identify areas of improvement and enable us to tailor our services to meet company evolving needs.
4. **Communicate:** Ensure that communication with customers is transparent, clear and consistent. Keep customers informed of any changes or updates to services, and ensure they are aware of support if needed. Clear communication can help build trust and reinforce customer loyalty.

Following those are businesses can build a culture of service quality that fosters customer loyalty. High-quality service delivery can create positive customer

experiences, build trust, and set company business apart from competitors. The effective assurance strategies, company can build trust, enhance service quality, and foster customer loyalty.

2.3.5 Empathy

Empathy is the caring, consideration, and the best preparation for customers, so that they can feel as ‘guests’ of the firm and are always welcome at anytime, anywhere. caring individualized attention given to customers. (Zeithaml, Bitner, & Gremler, 2017) Human factors are the core of this success and the more caring the bank gives to customers, the more customer understanding increases. Also refers to the ability to understand and share the feelings and perspectives of their customers, and to respond appropriately to their needs and concerns. This can help to build trust and loyalty, as customers feel that the business cares about their individual experience. Some examples of how empathy can impact customer loyalty:

1. **Understanding customer needs:** empathetic can better understand the needs and preferences of their customers, and can tailor their service to meet those needs.
2. **Listening actively:** Empathetic actively listen to their customers and validate their concerns. This can help to build trust and rapport, as customers feel that their concerns are being heard and acknowledged.
3. **Building relationships:** empathy is more likely to build strong, lasting relationships with their customers and company. This can help to increase customer loyalty and repeat business over time.

Overall demonstrating an understanding of and concern for their customers' needs and perspectives, companies can build trust and rapport, leading to increased customer loyalty and customer retention.

2.3 Customer Loyalty

“Loyalty is a commitment to buy and use a product or service in a fairly long period of time. In addition, loyalty refers to a person's intention to reuse products or services from the same company”. According to Lovelock, Wirtz and Mussry (2016: 76), "Loyalty means the willingness of customers to use products or services exclusively for a long period of time and recommend products or services offered by the company to others”. Customer loyalty occurs when customers intensely visit the same place repeatedly to satisfy their desires by using and buying a product or service

(Kotler and Keller, 2016). And then, Saputra et al. (2018) point out the customer loyalty refers to a customer's relentless desire to reuse or make repeat purchases in the future, even when the offered price is more expensive or for other reasons. According to Dewa (2018) in Pradiatiningtyas et al. (2020) explores the customers' loyalty as a condition where customers are committed to a brand and are willing to continue to buy and use it in the future. Moreover, customer loyalty can be seen as one of the criteria for business success as well as realizing a competitive advantage for the sustainability of the company. Companies must emphasis to build customer loyalty until it reaches the deepest level of loyalty so that customers feel they have the product or service offered and become inseparable.

Customer loyalty is a commitment to advocate in depth to regularly buy or resubscribe the selected product or service in the future, although the effect of the situation and marketing efforts that cause behavioral change. (Griffin, 2005). Customer loyalty occurs when customers feel satisfied about a specific product or service. Loyal customers keep purchasing the company's products constantly. They also provide the company with high ratings, and positive reviews. Customer loyalty can be called the ability of a customer to buy back, purchase from other product lines and services.

According to (Iddrisu, 2011), loyal customers are more likely to recommend purchasing the service in front of their friends and their family members. (Iddrisu, 2011) suggests that customer loyalty is achieved when the company meets and exceeds customer expectations in a constant manner. (Iddrisu, 2011) indicates that customer loyalty can be realized by offering a product of high quality along with providing customers with coupons, free offers, extended warranties, and low interest rates. The company should offer these incentives to make their customers feel pleased and happy. Such feelings shall participate in developing a sense of loyalty within customers and make them keep purchasing the service.

According to (Kincaid, 2003), customer loyalty is "as a consumer behavior, built on positive experience and value, which leads to buying products, even when that may not appear to be the most rational decision". Customer loyalty describes an ongoing emotional relationship between you and your customer, manifesting itself by how willing a customer is to engage with and repeatedly purchase from you versus your competitors. Loyalty is the byproduct of a customer's positive experience with you and works to create trust (Oracle, 2023). Customer loyalty creation can be derived from consumers enjoying the pleasure and comfort of the customers of a product in which it

is positive and attributes. The relationship value created when businesses make consumers feel more comfortable engaging with the business or using the products or services offered. Many companies that customers appreciate not only because of the products or service, but the company is able to make customers feel more than they are expecting. Customer loyalty occurs when the company gives more in the goods, services or an emotional connection.

2.4 Review of Empirical Studies

Numerous empirical studies have investigated the effect of service quality on customer loyalty and involves understanding the concept and how it affects businesses. Here is a review of some of the findings: “Service quality has a positive effect on customer satisfaction, which in turn has a positive effect on customer loyalty. This was found in a study by Parasuraman, Zeithaml, and Berry (1988) who proposed the SERVQUAL model, which identified five dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy”. Service quality has a direct effect on customer loyalty. A study by Cronin and Taylor (1992) found that perceived service quality was positively related to behavioral intentions, which include customer loyalty. Service quality has a stronger effect on customer loyalty for high involvement services.

A study by Spreng and Mackoy (1996) found that customers who were highly involved in the service experience were more likely to be loyal if they perceived the service quality to be high. The effect of service quality on customer loyalty is moderated by other factors such as brand image, perceived value, and switching costs. A study by Kim and Kim (2010) found that the effect of service quality on customer loyalty was stronger for customers who had a positive brand image, perceived high value from the service, and had high switching costs. A study by Keiningham et al. (2007) found that customer loyalty is driven by a combination of emotional and rational factors. The study suggested that businesses should focus on building emotional connections with their customers in addition to providing high-quality products and services. A study by Homburg and Giering (2001) found that customer satisfaction has a stronger effect on customer loyalty in service industries than in product industries.

The study suggested that service businesses should prioritize customer satisfaction to build strong customer loyalty. A study by Chen and Huang (2017) found that customer trust and perceived value have a positive effect on customer loyalty in the e-commerce context. The study suggested that businesses should focus on building trust

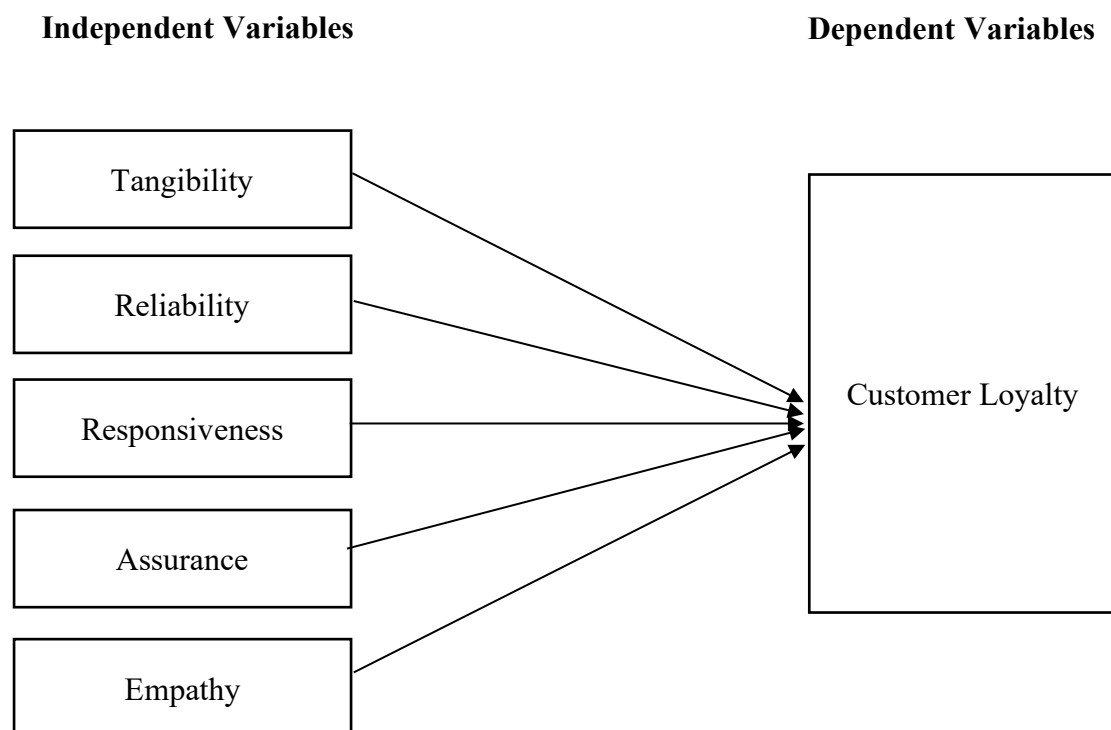
and delivering value to customers in online environments in order to build customer loyalty.

Overall, that service quality has a significant effect on customer loyalty, although the strength of the effect can be moderated by other factors. Therefore, businesses that prioritize service quality and focus on improving their customers' experiences are more likely to achieve higher levels of customer loyalty. using clear and concise language, and to provide examples and evidence to support your points. By following these steps, you can create a comprehensive and informative article on customer loyalty.

2.5 Conceptual Framework of the Study

Based on the review literature, the linkage between selected independent variables (reliability, tangibility, responsiveness, empathy and assurance) and customer loyalty are presented in Figure 2.1. The conceptual framework constructed by modifying different literatures to suit the purpose of this study.

Figure (2.1): SERVQUAL Model



Source: Own Compilation (2023)

This study focuses service quality on the customer loyalty of A+ digital wallet of A bank. In the framework, service quality dimensions are included. The factors such

as the tangibility, responsiveness, assurance, empathy, usefulness and ease of use have effects of service quality on customer loyalty towards A+ digital wallet of A bank.

To measure the mobile banking service, the following variables are used.

1. **Tangibility:** It includes the physical facilities of digital wallet service providers, the outlet of mobile banking service agents and materials such as form, posters, leaflets, pamphlets provided by A-plus Banking service.
2. **Reliability:** It measures whether the bank can provide the quick and speedy mobile banking service, error free service and the sufficient number of mobile banking service agents.
3. **Responsiveness:** measures the willingness of digital wallet service agents and providers to help the customers and responsiveness to customers.
4. **Assurance:** It measures the safety of the digital wallet transactions, knowledge sufficiency of the service providers to answer questions and courteous behavior.
5. **Empathy:** It measures the personal attention given by the digital wallet service providers and agents.

CHAPTER III

PROFILE AND OPERATIONAL CONSTRAINTS OVERCOMING PRACTICES OF ‘A’ BANK

This chapter presents the mobile financial services provided by Ayarwaddy Farmers Development Bank (A Bank) (referred to as A-plus Wallet). Accordingly, in this chapter the profile and organization structure of ‘A’ bank, products and services of A-plus wallet, rules and regulations for A-plus’s Agents and Agent’s incentive commission offered by A-plus wallet are presented.

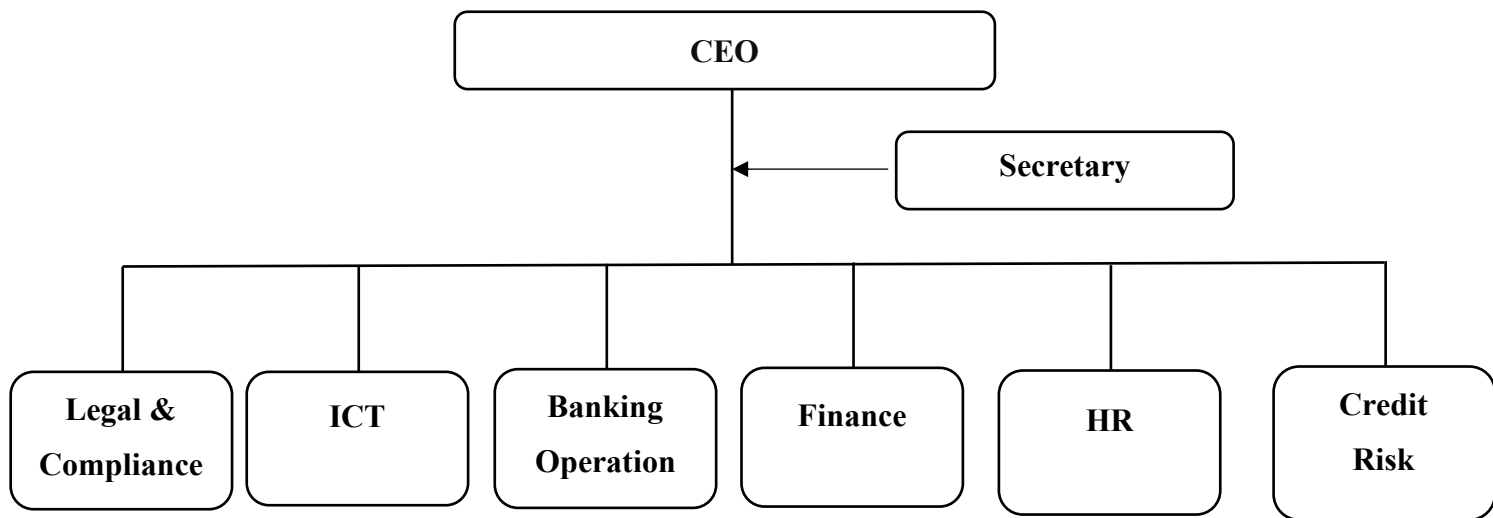
3.1 Profile of A-Plus E-wallets and A Bank

Ayeyarwaddy Farmers Development Bank (A bank) is established on 3rd December 2014, under Notification No. 3, 2014 by the Central Bank of Myanmar and the company was registered on December 22, 2014 in accordance with the Myanmar Companies Law. A bank got Commercial Banking License No. MAB/P-34/ (11) 2015 on November 17, 2015. The vision of ‘A’ bank is to become an innovative and dynamic bank in Myanmar with strong commitments to cultivate positive and sustainable outcomes for all stakeholders. Its missions are to deliver authentic, accessible, adjustable, advanced and accommodating products and services, to employ asset-light, cost-efficient and digital driven approach, to leverage the network of local and international partners to deliver positive impacts, and to strengthen national financial inclusion efforts with providing 17 accessible and equal financial opportunities for all underserved populations through innovative channels. A-Plus wallet is at the heart of digital initiatives enabling ‘A’ bank services to be part of customers’ daily lives and expanding financial inclusion efforts for the country. Building on strong financial, compliance & regulatory foundation, ‘A’ bank is providing services that make customers’ daily lives easier and business transactions more efficient.

3.1.1 Organizational Structure of the ‘A’ Bank

In order to achieve the vision and mission of the bank, ‘A’ bank systematically sets up the departments. Each department performs the different functions and services. The departments of the bank are presented in Figure (3.1).

Figure (3.1): Organization Structure of ‘A’ Bank



Source: ‘A’ Bank (2023)

According to Figure (3.1), ‘A’ bank is composed of six departments namely legal & compliance, ICT, banking operation, finance, HR, and credit risk. Secretary is assistance to Chief Executive Officer (CEO).

(i) Legal & Compliance Department

The responsibilities of legal department are to give oral or written legal memoranda and written legal opinions, review and interpret proposals-draft legislation, and negotiate agreements. Legal department also manages in taking legal actions against the conflicts, contributing the drafting of a legislation, and negotiating on all legal issues regarding A Bank and A-plus digital wallet include compliance relate.

(ii) ICT Department

ICT Department The mandate of the Department of Information Communication Technology is to enable operations of the Bank through provision of information technology-based services required to facilitate the efficiency and effectiveness of the Bank’s business processes. The objective of this department is to support strategic direction of the Bank by enabling the Bank in its different functional areas by planning of Information Systems and Infrastructure required to support the strategic direction, delivery, Maintenance and support of information systems and infrastructure required to support the strategic direction, and train employees and agents relating to ICT Systems and Technologies.

(iii) Banking Operation Department

The basic functions include regular banking services, corporate accounts, short term funding including working capital finance, current accounts, time deposits, trade finance, bill discounting, term loans and foreign exchange. Fund-based products are further sub-divided into asset products include trade finance, corporate finance, project finance and Liability products include salary accounts, current accounts, fixed deposits and payment cards. Loans and Credit include lending money on installment plans, overdraft protection, underwriting and issuing securities such as bonds.

(iv) Finance Department

Finance department is responsible for maintaining, recording all business transactions of A bank and maintain adequate internal controls within the bank to safeguard its valuable resources. It also requires to provide a basis for performance assessment and create accountability across the organization, keep track of costs incurred by the company and advise the modification of existing operations to reduce operating costs, and support senior management in the decision-making process by appropriately presenting the financial data. Moreover, it needs to plan based on anticipation of business needs and expected availability of resources.

(v) HR Department

HR Department HR department is responsible for recruiting and selecting the possible candidates. Then, it provides training and development for employees in order to meet the strategic goals of the bank. It regularly makes the performance appraisal and provide rewards. This all department is also responsible for resolving conflicts and ensuring health and safety of the employees. It usually makes the HR plan aligned with the future strategic goals of the bank.

(vi) Credit Risk Department

This department is responsible for reviewing financial statements and other data to assess the company's overall financial condition. It also monitors interest rates and market conditions to identify potential problems before they arise. In addition, this department reviews loan applications, credit reports, and other documentation to determine whether to approve or deny loans and evaluating potential risks and recommending solutions to increase profits while maintaining safety standards.

3.1.2 Products and Services of A-Plus Wallet

A-Plus mobile wallet is a mobile financial service from ‘A’ bank to provide a secure financial service. Users can use financial services just on their phones in the application, and will not need to open bank account and will not have to worry about operating hours. And they can download the application and can open wallet account on their own.

With A-Plus wallet, people can transfer, cash out, top up prepaid phone bill, pay for Internet service and can pay with QR code at any store that has A-Plus signage. And users can buy iTunes gift cards, other gift cards and can cash-in with any MPU, VISA and Master Card from any bank in the world. Wallet users can make cash in to their wallet from MPU cards. From A-Plus wallet account, users can send money to anyone in Myanmar, and wallet to wallet transfer is zero transfer fee. They can also transfer Wallet to Bank accounts. (A bank and other Banks).

A-plus giving services to corporate users for salary disbursement with A-plus wallet. Employees can do cash out with nearest A-plus agents with free of charge. A-plus also giving services to pensioners for convenient cash out with A-plus wallet at their nearest A-plus agents with free of charge. A-plus set up a 24/7 call center for wallet users and Agents. Giving effective services for users and Agents with separate channels.

A-plus application offers Two Language (Myanmar/English). It includes Simple dashboard and UI interface, Push Notification for update news. For the account safety, 2 20 Factors Authentication is applied. It also supports Multi Authentication log in system including Biometric log in.

A-plus agents can do remittance function for non-wallet account users. Users have no need to have a bank account and can transfer and received money from their mobile phones. Users can use all mobile network operator’s numbers from Myanmar. About the Fees structure, there are 14 Slab of transfer amount and respective fees charges see at Table 3.1. Users can transfer maximum amount up to 10 Lakhs MMK per transaction. Users can buy prepaid air time for MPT, Atom, Ooredoo operator’s numbers. Agents can get the 0.5% commission for top up. A-plus wallet user can pay utilities bill for Ananda, Hiwifi, Myanmar Net, iTunes Gift cards, Stem Wallet (SGD), Channel7 and Shwe Nar Sin.

3.1.3 Rules and Regulations for A-Plus Wallet Agents

‘A’ bank carefully deals with the A-Plus Wallet agents by partnering with the Omega Distribution Co., Ltd. The Super-Agent needs to support and work with A-Plus on behalf of the subcontractor. A Super-agent must follow monthly set KPI and flag E-money in the A-Plus list of their respective agents. The Super-agent must operate to comply with Myanmar's laws regarding KYC requirements. The actual working days must be confirmed by the both parties (Super-Agent and ‘A’ bank).

Super-agent manages the mobile phone service when accepting payments from customers. If necessary, the board, or teams must be organized according to the permission of the relevant government department. A Super-agent must follow all the requirements to be signed only in relation to Anti-Money Laundering / Anti-Money Laundering.

Agents including Super Agents of A-Plus must work more than eight (8) hours per day. Super Agents manage and support A-Plus Agent under them and the CSEs. Super Agents are required to transfer E-money to A-Plus Agents within 5 minutes and the remaining cases within 30 minutes. For the new products and services of A-Plus, ‘A’ bank will make marketing campaigns at the appropriate time and conduct the training for agents.

A-plus set up a distribution norm of one channel sales executive (CSE) per fifty Agents for giving services effectively. CSEs going to Agents daily to supply E-money and cash for Agents, training new agents and making branding at Agent’s shops. CSEs also have to try to hit their monthly KPI achievements.

3.1.4 Commission for A-Plus Agents

According to the policy of central bank and ‘A’ bank, A-Plus Wallet pays commissions to the agents. ‘A’ bank makes Key Performance Indicator (KPI) for the agents who are giving A-Plus wallet service to customers. Table (3.1) presents the KPI and incentives for agents.

Table (3.1) A-Plus Agent Scheme

A-Plus Agents can receive benefits up to 43,000 MMK if the following conditions are met: New benefits will be started from Oct 1, 2022 and applied to all on boarded A-Plus Agents.		
Title	Description	Payout for Achievement on Monthly Target (MMK)
OTC transfer (Unregistered to Unregistered)	Minimum value of 30,001 MMK per transaction. At least 25 transaction per month counted towards incentive calculation	16,000
Top up	Minimum value of 1000 MMK per transaction. At least 25 transaction per month counted towards incentive calculation.	5,000
Consumer Wallet Cash Cut	Consumer Wallet Cash Out Transactions with minimum value of 20,000 MMK per transaction. At least 15 transaction per month counted towards incentive calculation.	16.000
250,000 and above	At least (5) business transaction per month (OTC, Top Up Wallet Cash out and Bill Payment)	3,000
150,000-249,999	At least (5) business transaction per month (OTC, Top Up Wallet Cash out and Bill Payment)	2,000
Total		36,000

Source: 'A' Bank (2023)

The bank rewards sales team basis performance & to motivate them to over achieve sales targets. A-Plus Agents can receive benefits up to 43,000 MMK if the predefined conditions are met. New benefits were started from Oct 1, 2022 and applied to all on boarded A-Plus Agents. E Float maintenance amount will be considered daily basic and will be count every 12:00 at midnight. Any fraudulent transaction was found out and agent does not get incentive. Same sender/receiver transactions, same agents

and reversal transactions cannot be count in Key Performance Index (KPI). Payout will be disbursed within 15 days of next month.

3.1.5 Registration Process and Wallet Limitation

The company recruits the agents based on the ability to maintain cash and e-float balance, Strategic retail locations, literate staff, trusted by the community, and potential customer reach. For Agents registration, CSE (Channel Sales Executive) will go Agents and do relate EKYC onboarding process. Requirements in agent registration process are registration form, bank account opening form, photo of agent's shop, NRC front/back, and owner's photo. After 3 days, Agents will get authentication code and can log in and start using.

A-Plus Wallet users can do cash in and Cash out at A-Plus Agents. Level 1 wallet users can do cash in function of maximum 4 Lakhs MMK per transactions and total amount up to 10 Lakhs MMK per day. Cash out functions can do maximum of 3 Lakhs MMK per transactions and total amount of up to 10 Lakhs MMK per day. Level 2 Wallet users can do cash in function of maximum 10 Lakhs MMK per transactions and total 23 amount up to 10 Lakhs per day. Cash out functions can do maximum of 3 Lakhs MMK per transactions and total amount of up to 10 Lakhs MMK per day.

3.2 Operational Constraints Overcoming Practices of A bank

When A bank start launches A-Plus E-wallet and acquire the agents to get the high distribution network, agents onboarding process is complicated and time consumed. Most of the agents are busy with their other tasks and cannot patient on filling the many on boarded forms with long process. Agents feel dissatisfaction on this process and refuse to do business with A-Plus. So, A bank changed its operation process by outsourcing a third-party company named Omega Distribution Group Company Limited (ODG) for agent acquiring and management. ODG hired Regional Sales Managers (RSM), Territory Sale Managers (TSM) and Channel Sales Executives (CSEs) to give high level of service quality to Agents. After omitting some on boarded forms, Agent's attitude is change and happy to work with A-Plus wallet. Moreover, A bank develop the E-KYC application to digitalize the agent onboarding process. Therefore, agent acquiring time is faster and agents can start their business within three days of on boarded date.

A bank found another operational constraint happen at over the counter (OTC) remittance. When agents perform the OTC function, the cash code SMS delay to send. The remittance users have to wait long time to receive SMS and they complain to the agents. So, agents feel dissatisfied about wallet application and some agents do not want continuous use the application. To overcome this constraint, A bank set up one more SMS gateway to improve the performance. When one gateway server has problem, it can switch to another SMS gateway. After that, cash code delivery time is faster and agent's attitude change positive perception on wallet application. Currently, A bank still found that other technical problems that can make negative effect of agent's attitude and satisfaction on e-wallet application. Therefore, A bank make partner with a high reputation software vendor to improve overall performance of e-wallet application. When new vendor finishes their developing process, the agent's will get more satisfaction and continue to use of A-Plus E-wallet.

3.3 Research Design

Since this study seeks to investigate the effect of service quality on customer loyalty of A-Plus e-wallet agents, a descriptive research method and a quantitative research approach were applied. The descriptive part is needed to describe and identify the research factors that impact customer loyalty of A-Plus e-wallet, A bank in Yangon. This research was conducted the variation in the customer loyalty towards A-Plus e-wallet as the dependent variable, as a result of the changes made on the independent variables, SEQUARAL model. In the analytical part, the research model is being tested by examining the relationship between the dimensions of service quality and the customer loyalty.

This study includes a quantitative approach that has been done through structured questionnaires that were distributed to the respondent to get the primary data. To obtain primary data, this study used a 5- point Likert scale ranging from (1= Strongly Disagree to 5= Strongly Agree). According to the classification of Best (1977), the responses are interpreted as follows: The mean value 1.00-1.80 is classified as strongly disagree, 1.81-2.60 is categorized as disagree, and 2.61-3.40 is regarded as neither agree nor disagree, 3.41-4.20 are categorized as agree, 4.21-5.00 is categorized as strongly agree of perception. For data analysis, multiple linear regression method is applied.

To analyze the effect of service quality on customer loyalty towards A-Plus e-wallet of A bank, this study used a descriptive research method. This research is based on both primary data and secondary data to fulfill the objective of the study. Quantitative data is analyzed by using descriptive statistics and other standard quantitative methods. By using a quantitative approach, the primary data were collected through structured questionnaires from a sample of 200 agents.

3.4 Questionnaire

To measure the research variables, this study used structured questionnaires from the previous studies. The variables were developed based on previous research by using a 5-points Likert scale ranging from 1 = strongly disagree to 5= strongly agree and comprised of three sections. The first part of the questionnaire includes the demographic characteristics of the respondents, the second part of the questionnaire consists of questions on dimensions of service quality such as tangibility, reliability, responsiveness, assurance and empathy.

The research questionnaires were developed based on previous research. All independent variables consist of 5 items and customer loyalty with 5 items, respectively. The questionnaires for all independent and dependent have been adopted. For all the measures, respondents were asked to rate on a five-point Likert-type scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

3.5 Data Collection

The data collection includes two types of information such as primary data and secondary data. The primary data is the information being obtained directly from the first-hand sources which mean survey, experimentation, and observation and it was collected from the respondents. For primary data, conducting a survey is a more appropriate way for the study to generate a large number of data. Thus, a survey method of data collection through questionnaires was used to collect the primary data for this study. To get the primary data, the A Bank's digital wallet users at Yangon were studied by using survey method. All of 200 respondents were answered completely structured questionnaire with a five-point Likert scale was used for collecting the primary data. The first part of the questionnaire is concerning the demographic information of respondents. The second and third parts of the questionnaire focused on the service

quality and customer loyalty. The secondary data were collected from previous research, textbook, websites, and published journals and articles. By applying a simple random sampling technique, questionnaires were distributed through a convenience sampling method. Respondents were asked to rate each statement using Five Points Likert Scales of 1 to 5 ranging from strongly disagree to strongly agree. Analytical research method is used in this study.

3.6 Reliability Analysis

Reliability analysis refers to the fact that a scale should consistently reflect the construct it is measuring. It was undertaken in order to test the internal consistency of the variables in the questionnaire. Then, Cronbach's alpha was selected to conduct the reliability test as it is the most common tool for internal consistency reliability coefficient in particular psychometric measurement. It tests to see if multiple question Likert scale survey are reliable. Cronbach's alpha told that the test is accurately measuring the variable of interest. (Tavakol and Dennick, 2011).

This study aims to explore the effect of service quality on customer loyalty towards A-Plus e-wallet in Yangon and to analyze the relationship between service quality and customer loyalty. The survey question used for this study consists of three sections. Section one is the question for demographic information. Section two contains the questions for the dimensions of service quality such as tangibility, reliability, responsiveness, assurance and empathy. In section three, the question for the customer loyalty of A-Plus e-wallet. The questions in section are closed question (i.e., the respondents are required to choose one or more out of given possible answers). Then, the questions in section two and three are measured with a five point Likert scale ranging from "strongly disagree to strongly agree" (1=strongly disagree to 5=strongly agree). In this study, reliability analysis is applied to test the internal consistency of the variables in the questionnaire.

3.7 Data Analysis

Data analysis is a research method for the objective, systematic and qualitative explanation of the clear content of a statement. The consequences and interpretation of data analysis provide crucial information for the study. The collected data through a structured questionnaire were analyzed using SPSS version 23. Both of analytical

method and Linear Regression method were used in this study. Analytical research is used to describe characteristics of a population or phenomenon being studied.

3.7.1 Descriptive Analysis

The study performed a descriptive analysis of all demographic variables as well as all variables including independent and dependent variables. Descriptive statistics include the process of converting the bulk of raw data into tables, charts, frequency distributions, and percentages to describe the responses as it is a better method of presenting the findings of the study (Babbie, & Mouton, 2010). The mean, percentages, and standard deviation are the most used descriptive statistics and the results were presents in tables.

3.7.2 Correlation Analysis

Pearson's correlation coefficient statistical analysis was computed to determine the relationship between the variables and helped to show any correlations and variances. Pearson's correlation coefficient measures the strength and direction of a linear relationship between independent and dependent variables (Moinester & Gottfried, 2014). In this study, the relationship between service quality and customer loyalty towards A Plus digital wallet of A Bank was analyzed by Person's correlation analysis.

3.7.3 Regression Analysis

Multiple linear regression analysis was applied on the effect of service quality on customer loyalty towards A-Plus e-wallet in Yangon. The purpose of multiple regression analysis is to find the explanatory relationship of two or more independent variables toward one dependent variable. In this model, the independent variables will be service quality such as tangibility, reliability, responsiveness, empathy and assurance, while the dependent variable will be customer loyalty. Further, this analysis may be used to show whether the relationship between variables is positive and negative. The model equation in multiple regression analysis is:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \dots + \beta_nX_n + \varepsilon$$

Where:

Y= dependent variable

X₁= independent variable

X_2 = independent variable

β_0 = constant, the value of Y when all X values are zero

β_n = the slope of the regression surface (The β represents the regression coefficient associated with each X_1)

ε = an error term, normally distributed about a mean of 0

Coefficient of determination test is used to know how well the variables fit in the regression model. In this test, the Adjusted R Square result shows how immeasurably the dependent variable can represent the independent variable. The more it closes to 100% the better the result is (Ghozli,2013). It means that the model fit.

CHAPTER IV

ANALYSIS ON SERVICE QUALITY ON CUSTOMER LOYALTY OF A+ DIGITAL WALLET

This study explores the service quality and customer's loyalty of A + digital wallet service. For this purpose, service quality and customer's loyalty are measured by the responses from 200 users in Yangon by using structured questionnaires. This chapter presents the detailed information about service quality and customers' loyalty towards A+ digital wallet service and the analysis on service quality and customer's loyalty as well as analysis of influencing factors on service quality and customer loyalty are also described.

4.1 Demographic Profile of Respondents

First necessary information of the respondents was collected and demographic characteristics and data of the respondents were using the survey questionnaire. This questionnaire was asked to understand about general information of digital wallet user which are gender, age, occupation and monthly income, frequency of respondents, choosing A+ and purposes of A + are show in the following tables.

4.1.1 Gender of Respondents

Analyzing the gender of the respondents, findings revealed that 87 of respondents were male and 113 of respondents were female as shown in Table 4.1. There was a total of 200 respondents to the survey and female respondents are more than male respondents.

Table (4.1): Gender

Gender	Frequency (N)	Percentage (%)
Male	87	43.5
Female	113	56.5
Total	200	100

Source: Survey Data (2023)

4.1.2 Age of the Respondents

Table (4.2) shows the age of the respondents. The four different types of age group of respondents are surveyed for this research. The largest use A+ digital wallet application of the respondents is the group of people who are between 30 and 40 years. The smallest of the respondents is the group of people who are between over 60 years and under 30 years. In the parts of the age category, it is found that those between 30-40 years and between 41- 60 years are more using digital wallets application as they are familiar with technology and mobile phones.

Table (4.2): Age

Age Groups	Frequency (N)	Percentage (%)
Under 30 Years	26	13
30 – 40 Years	135	67.5
41 – 60 Years	38	19
Over 60 years	1	0.5
Total	200	100

Source: Survey Data (2023)

4.1.3 Occupation of Respondents

According to Table (4.3), it shows the type of occupation of the respondents. The occupation of the respondents is also classified as Student, Company Staff, Self-Employee, Government Staff and Dependent. The majority of respondents are self-employed and company staff.

Table (4.3): Occupation

Occupation	Frequency(N)	Percentage (%)
Student	14	7
Company Staff	71	35.5
Self-employed	106	53
Government	2	1
Dependent	7	3.5
Total	200	100

Source: Survey Data (2023)

4.1.4 Monthly Income of Respondents

According to the analysis result Table (4.4), it is found that 42% of respondents are between MMK 500,001 and 750,000, 21% of respondents are between MMK 750,001 and 1,00,000, 18% of respondents are between MMK 250,001 and 500,000, 11.5% of respondents are above MMK 1,000,000 and 7.5% of respondents are less than MMK 250,000. The majority of respondents' monthly income was between MMK 500,001 and 750,000.

Table (4.4): Monthly Income

Monthly Income (MMK)	Frequency (N)	Percentage (%)
Under 250,000	15	7.5
250,000- 500,000	36	18
500,001- 750,000	84	42
750,001- 1,000,000	42	21
Above 1,000,000	23	11.5
Total	200	100

Source: Survey Data (2023)

4.1.5 Frequency of Respondents Using A Plus Wallet

Table (4.5) shows the frequency of respondent using A plus digital wallet. The frequency of respondents using A + digital wallet is daily, weekly, monthly and other. The majority respondents are weekly using A + digital wallet.

Table (4.5): Frequency of Respondents

Frequency Using of A+	Frequency (N)	Percentage (%)
Daily	61	30.5
Weekly	112	56
Monthly	26	13
Other	1	0.5
Total	200	100

Source: Survey Data (2023)

According to the analysis result, 56% of respondents are weekly, 30.5% of respondents are daily, 13 % are monthly and 0.5% are other. There was more using A+ digital wallet on weekly and daily.

4.1.6 *Choosing A Plus Digital Wallet*

Table (4.6) shows the type of choosing A + Plus digital wallet. Reasons of choosing A + digital wallet is good and fast service, easy availability and accessibility, my salary through A Plus and good customer service. The majority respondents are easy availability and accessibility.

Table (4.6): Choosing A Plus Digital Wallet

Choosing A Plus Wallet	Frequency (N)	Percentage (%)
Good and Fast Service	5	2.5
Easy Availability and Accessibility	164	82
My Salary through A Plus	28	14
Good Customer Service	3	1.5
Total	200	100

Source: Survey Data (2023)

According to the Table (4.6), 82% of total respondents are easy availability and accessibility and then 14% of respondents are my salary through A+, 2.5 % of respondents are good and fast service and 1.5% of respondents are good customer service. It is found that more of the A+ reasons of choosing are because of easy availability and accessibility. Therefore, most of respondents are reasons for choosing My Salary through A+.

4.1.7 *Purpose of Using A Plus Digital Wallet*

The result of shown in Table 4.7 purpose of using A + Plus digital wallet is money transfer, mobile top-up, bill payment, online shopping and donation. The frequency of respondents using most are money transfer.

Table (4.7): Purpose of Using A Plus Digital Wallet

Purpose of using A+	Frequency (N)	Percentage (%)
Money Transfer	120	60
Mobile Top-up	62	31
Bill Payment	14	7
Online Shopping	1	0.5
Donation	3	1.5
Total	200	100

Source: Survey Data (2023)

According to the analysis result, purposes of using A+ found that 60% of respondents are majority using money transfer, second 31 % of respondents are using mobile top-up, 7% of respondents is bill payment, 0.5% of respondents are online shopping and 1.5% respondents are donation.

4.2 Reliability Analysis

As this study reliability analysis test, the internal consistency analysis was carried out through Cronbach alpha reliability test of the service quality and customer loyalty. The results can be found in the following Table (4.8).

Table (4.8): Reliability Analysis

Scale Items	No. of Items	Cronbach's Alpha
Tangibility	5	0.889
Reliability	5	0.941
Responsiveness	5	0.856
Assurance	5	0.919
Empathy	5	0.947
Customer Loyalty	5	0.875

Source: Survey Data (2023)

According to Table (4.8), it shows the reliability of all variables. According to (Sekaran, 2003) the closer Cronbach's alpha is to 1, the higher the internal consistency reliability. Cronbach Alpha value is a measure of internal consistency. If alpha value is equal or more than 0.7, this variable is accepted as a reliable variable. First variable tangibility has 5 items and alpha value of these items is 0.889. Second variable reliability has items: value of alpha is 0.941, 5 items. Third variable responsiveness has 5 items and the value of alpha of these items is 0.856. Fourth variable assurance has 5 items and the value of alpha of these items is 0.919 and fifth variable empathy has 5 items and the value of alpha of these items is 0.947. The final variable customer loyalty has 5 items and the value of alpha of these items is 0.875. According to Table (4.8), it is found that the Cronbach's alpha values for all values are higher than the cut-off value of 0.7, indicating high reliability and thus it can be expected that the scales used in this study.

4.3 Service Quality Variables of A + Digital Wallet Services

This section examines the service quality on A+ digital wallet Service of A Bank. The five-point Likert scale questionnaire is used to measure the customer perception level on the following factors. The value for the scales were given as: 1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree. Thus, the mean value and standard deviation of each statement can range between 1 and 5. It can be assumed that the respondents have more agreement on a particular statement if their mean value for the statement is larger than 3.0. Otherwise, they will have more disagreements.

4.3.1 Tangibility

The descriptive analysis of the customer perception on tangibility of A + digital wallet service including means, standard deviation of each statement for tangibility of A + digital wallet mobile service shows in Table (4.9).

Table (4.9): Service Quality on Tangibility

No.	Description	Mean	Standard Deviation
1.	The Equipment and Technology provide by A+ Digital wallet application are up-to-date.	3.57	0.938
2.	The presentation of A+ digital wallet application is visually appealing	3.55	1.006
3.	A + Digital wallet application provides enough information and statements are clear, attractive and well explained.	3.64	1.028
4.	Branches or agent has convenient waiting arrangements.	3.67	1.048
5.	The leaflets and pamphlets of A + digital wallet convey enough information	3.46	1.060
Overall Mean		3.58	

Source: Survey Data (2023)

According to Table (4.9), the overall average means value is 3.58. From this finding, we can see that the respondents have positive view on tangibility of A + digital wallet Service. Among the tangibility statement, the customers have highest positive perception on the branches or agent has convenient waiting arrangements, they will be easier to wait and satisfied arrangements with the service. Giving enough information can also attract the customers and then achieve their customer loyalty towards A+

digital wallet. A+ team should be keeping the good service for arrangements, so customer will keep loyalty to A + service.

4.3.2 Reliability

The descriptive analysis of the service quality on reliability of A+ digital wallet service including means, standard deviation of each statement for reliability of A+ digital wallet service also mentioned in Table (4.10).

Table (4.10): Service Quality on Reliability

No.	Description	Mean	Standard Deviation
1.	A+ digital wallet delivers all the service within the promised.	3.54	0.987
2.	I feel safe in all your transaction with the A+ digital wallet.	3.57	0.943
3.	The transaction done in A+ digital wallet application are quick and speedy.	3.58	0.953
4.	The services provided by A+ digital wallet application are error free.	3.60	1.037
5.	Advertising and promotional messages of A + reflect reality.	3.50	1.032
Overall Mean		3.56	

Source: Survey Data (2023)

According to Table (4.10), the overall mean of 3.56 means that the customers have overall positive perception on reliability of services provided by A + digital wallet service. Nowadays, as the customer are become busy and active, the customer is preferring quick service so as not to waste their time. Therefore, about the error free service provided by the A+ digital wallet application. It indicates, some respondents that the advertising and promotional messages of A + digital wallet service need to provide the clear information.

4.3.3 Responsiveness

The descriptive analysis of the service quality on responsiveness of A+ digital wallet service including means, standard deviation of each statement for Responsiveness of A+ digital wallet service is also mentioned in Table (4.11).

Table (4.11): Service Quality on Responsiveness

No.	Description	Mean	Standard Deviation
1.	Whenever you face any sort of A+ problems, the agent or employees helps you solve the problem.	3.74	1.136
2.	Giving prompt responds to the request and questions of the customer by the A+ digital wallet Call Center.	3.61	1.074
3.	The Bank compensate for the problem due to the A+ application error.	3.72	1.043
4.	Bank maintains error fee records.	2.92	1.151
5.	Solving regular and effective complaint about the service process	3.11	1.029
Overall Mean		3.42	

Source: Survey Data (2023)

According to Table (4.11), the respondents have overall positive perception on responsiveness of mobile banking services provided by A + digital wallet service. Among the responsiveness statements, most respondents have highest perception on face any sort of A+ problems, the agent or employees helps solve the problem. However, they don't feel that the bank gives bank maintains error fee records. As there are many alternative digital wallet services available to customers, A + digital wallet team should fill this gap in order to get competitive advantage. Therefore, the bank should consider to give in the form of apology or present based on the bank maintains error fee records amount of effect the makes to the customers.

4.3.4 Assurance

The descriptive analysis of the service quality on assurance of A+ digital wallet service including means, standard deviation of each statement for assurance of A+ digital wallet service is also mentioned in Table (4.12).

Table (4.12): Service Quality on Assurance

No.	Description	Mean	Standard Deviation
1.	Having the quick and efficient in-service delivery.	3.53	1.129
2.	I believe in the security of my transaction.	3.58	1.077

3.	I believe that customer's information is kept confidential.	3.68	1.031
4.	Having strong knowledge to answer your enquiries about the offerings and their operations.	3.37	1.085
5.	The behavior of A+ service providers give confidence in customers.	3.54	1.079
Overall Mean		3.54	

Source: Survey Data (2023)

According to Table (4.12), the overall mean of 3.54 means that the customers have positive perception on assurance of A + Digital Wallet service provided by A Bank. Among the statements about the assurance, most respondents have strongest positive perception on the security of the believe that customer's information is kept confidential of A + digital wallet service. The respondents have overall positive perception on responsiveness of A + Digital wallet services provided by A Bank. However, most respondents have the need to improve of knowledge to answer your enquiries about the offerings and their operations. Customers think that the providers don't have sufficient knowledge about digital wallet service, so the A+ team should give training to their internal service providers or agent such as the Call Center as regularly. This during their regular training should emphasize on the knowledge about the digital wallet service and customer behavior include the on-site training to the A + digital wallet agents.

4.4.4 Empathy

The descriptive analysis of the service quality on Empathy of A+ digital wallet service including means, standard deviation of each statement for Empathy of A+ digital wallet service is also mentioned in Table (4.13).

Table (4.13): Service Quality on Empathy

No.	Description	Mean	Standard Deviation
1.	A plus team maintains strong customer relationships.	3.68	1.055
2.	Being able to understand the specific needs of users.	3.75	1.050
3.	Collection information about satisfaction and loyalty of their users.	3.80	1.081

4.	Giving personal attention through the call center of A+ digital wallet service.	3.78	1.118
5.	A+ always informs you about new and retroactive schemes and always suggest you on taking the correct decision.	3.78	1.118
Overall Mean		3.76	

Source: Survey Data (2023)

According to Table (4.13), the overall mean of 3.76 means that the customers have positive perception on empathy of A + digital wallet service provided by A Bank. Among the statement about empathy, most respondents have highest positive perception on the collection information about satisfaction and loyalty of their users. They should maintain this condition and try to gain more market share by using this advantage. However, the respondents have perception on the maintains strong customer relationships and A + team giving them personal attention, understanding their specific needs and wants of customers. Therefore, A+ digital wallet team should train internal staff or agent in active listening, focus of the customer's need and obtain customer's feedback to give personalized attention to the customers. Also, bank should carry out the market research on the customer service needs in order to be able to understand and satisfy the specific needs of the customer's service.

4.4 Customer Loyalty

The following Table (4.14), shows the mean value and standard deviation service quality of customer loyalty on A + digital wallets. There are Five questions to be analyzed and the results are shown as Table (4.14).

Table (4.14): Customer Loyalty

No.	Customer Loyalty	Mean	Standard Deviation
1.	I say positive things about A + digital wallet service.	3.63	1.024
2.	I recommend the A + digital wallet service to someone.	3.52	1.002
3.	I encourage someone to use this digital wallet.	3.66	1.025
4.	This digital wallet service is my first choice for future transactions.	2.98	1.046

5.	I will do more business with this digital wallet in the coming months.	3.25	1.073
	Overall Mean	3.41	

Source: Survey Data (2023)

As shown in Table (4.14), the respondents agree with all of the statements of customer loyalty and all of the mean values are more than 3. The mean values range between 2.98 and 3.66. Moreover, the overall mean value of customer loyalty is 3.41 which represents the respondents are satisfied or somewhere satisfied with A + digital wallets.

4.3 Analysis on the Relationship between Service Quality and Customer Loyalty

In this study, to identify the relationship between service quality (Tangibility, Reliability, Responsiveness, Assurance, Empathy) and customer loyalty is measured by personal correlation.

Table (4.15): Relationship between Service Quality and Customer Loyalty

		Custo mer Loyalt y	Tangibil ity	Reliabilit y	Responsiv e ness	Assuranc e	Empathy
Customer Loyalty	Pearson Correlatio n	1	.716**	.821**	.781**	.851**	.788**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200
Tangibility	Pearson Correlatio n	.716**	1	.790**	.668**	.711**	.721**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200
Reliability	Pearson Correlatio n	.821**	.790**	1	.678**	.759**	.721**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200
Responsiv eness	Pearson Correlatio n	.781**	.668**	.678**	1	.761**	.750**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200
Assurance	Pearson Correlatio n	.851**	.711**	.759**	.761**	1	.793**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200

Empathy	Pearson Correlation	.788**	.721**	.721**	.750**	.793**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	200	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

According to Table (4.15), all the independent variables have moderate positive relationship with the dependent variables. Assurance has the strongest positive relationship with customer loyalty (0.851), followed by reliability (0.821), followed by empathy (0.788). followed by responsiveness (0.781) and followed by tangibility (0.716). Results of the correlation revealed that, empathy, reliability, empathy, responsiveness and tangibility have positive relationships with customer loyalty.

4.5 Analysis on the Effect of Service Quality on Customer Loyalty

The regression results are taken from the output of SPSS analysis. The result of the analysis is shown in Table (4.16).

Table (4.16): Effect of Service Quality on Customer Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0.148	0.118		1.247	0.214
Tangibility	-0.050	0.053	-0.051	-0.946	0.345
Reliability	0.338	0.053	0.357	6.369	0.000
Responsiveness	0.197	0.050	0.202	3.960	0.000
Assurance	0.320	0.053	0.356	6.067	0.000
Empathy	0.115	0.048	0.134	2.380	0.018
Fit Indices F= 180.175, P= 0.05 R ² = 0.818					
a. Dependent Variable: Customer Loyalty					

**has significant influence on the dependent variable*

Note: ***Significant at 1% Level, ** Significant at 5% Level, * Significant at 10% Level

In this table (4.15). F-value of 180.175 is significant at 0.05 level. This indicates that the overall regression models these five independent variables (tangibility, reliability, responsiveness and assurance and empathy) can well explain the variation of the dependent variable (customer loyalty). R² for this model is 0.818 which indicates

81.8% of the variation in the customer loyalty (dependent variable) can be explained by tangibility, reliability, responsiveness, assurance and empathy (independent variables).

According to the results, reliability, responsiveness, assurance and empathy have positive impact on customer loyalty. This can be explained as A plus customers perceive high service quality, they are more likely to exhibit greater loyalty by engaging in repeat purchases, recommending the service to others, and showing resistance to competitors' offerings. However, tangibility has no significant effect on customer loyalty. A Bank will be focused on tangibility of A+ to get more customer loyalty.

CHAPTER V

CONCLUSION

This chapter includes findings and discussion, the suggestion and recommendation of the study and suggestion for further studies. Findings and discussion are based on the influencing factors of customer loyalty and the analysis of service quality of A Plus Digital wallet of A Bank in Yangon. Suggestion and recommendation are based on the result of the finding and limitation of the study described on the result of the finding.

5.1 Findings and Discussion

The main objective of this study is to analyze the effect on service quality on customer loyalty of A plus digital service towards A bank in Yangon. Customer loyalty represent a top prior of the company's success and profit and significant concept of service quality (tangibility, reliability, responsiveness, assurance and empathy). It is easy to understand that there is a significant positive relationship between service quality and customer loyalty. It can lead to an increase in both sales and profitability in the very competitive market and to achieve the customer loyalty.

According to the first objective, this study sought to establish the five dimensions of service quality most valued by the customers of A plus users. Empathy was valued most by customers towards A plus digital services in Yangon with a mean score of 3.76, followed by tangibility 3.58, followed by reliability 3.56. Assurance 3.54 and responsiveness 3.42 were valued by customers.

The results of the study imply that customers are used to A plus digital services mostly by empathy of A plus services because most respondents have highest positive perception on the collection information about satisfaction and loyalty of their users. They should maintain this condition and try to gain more market share by using this advantage. Moreover, the respondents have perception on the maintains strong customer relationships and A + team giving them personal attention, understanding their specific needs and wants of customers. Therefore, A+ digital wallet team should train internal staff or agent in active listening, focus of the customer's need and obtain customer's feedback to give personalized attention to the customers.

According to the correlation analysis, all the independent variables (tangibility, reliability, responsiveness, assurance and empathy) have positive relationship with the dependent variables. Assurance has the strongest positive relationship with customer loyalty (0.851), followed by reliability (0.821), followed by empathy (0.788). followed by responsiveness (0.781) and followed by tangibility (0.716). Results of the correlation revealed that, empathy, reliability, empathy, responsiveness and tangibility have positive relationships with customer loyalty. The customers have overall positive perception on both of them. they will say positive things and recommend to friend or colleague.

According to the results of the study pointed out that the analysis on effect of service quality on customer loyalty towards A plus digital wallet services in Yangon. The five dimensions of service quality have significant influence on the customer loyalty towards A plus digital wallet only if the service quality stand as a group. Individually, it is said that only tangibility has no significant effect on customer loyalty. And then, reliability, responsiveness, assurance and empathy have positive impact on customer loyalty. This can be explained as A plus customers perceive high service quality, they are more likely to exhibit greater loyalty by engaging in repeat purchases, recommending the service to others, and showing resistance to competitors' offerings.

Customer loyalty in the study area was affected by service quality. In the same manner, providing quality service at promised time to do so, showing interest in the presence of problems, and keeping records accurately have a significant effect on customer loyalty. Besides, giving prompt service, always ready and willing to help customers, and respond to customer requests have a significant effect on customer loyalty. Making customers feel secure in their transaction, appropriate behavior of the concerned staff, and employee's knowledge to answer customer's questions affects the customer loyalty positively and significantly. Also, empathy factors such as giving customers' individual attention, conveniently open to all customers, understanding customers' specific needs, giving and caring individual attention to customers by having best interests at heart and having pay attention to the customers even have a significant effect on customer loyalty. It is also found that most of the respondents are young aged and self-employee. They all use the money transfer and mobile top-up

service via the A + digital wallet service. Most customers use A + Digital wallets because they are easily available and accessible.

In summary, the findings of the study are very useful for the A + of A bank to gain user preference in the competitive market of digital wallet service. Through this study, the A+ of A bank can understand the customer perception, service and loyalty. This research identifies and understand the need of customers and always room for improvement to better service quality. Service quality has a significant impact on customer loyalty. Customers' perceptions of reliability, responsiveness, assurance, empathy, and tangibles shape their loyalty behaviors. By focusing on improving service quality across these dimensions, businesses can foster customer loyalty, leading to long-term success, increased market share, and positive word-of-mouth recommendations. Continuous efforts to enhance service quality should be an integral part of A Plus customer-centric strategies.

5.2 Suggestion and Recommendations

Based on the major findings of the study, the following recommendations are forwarded. The customer has positive perception on dimensions of service quality (tangibility, reliability, responsiveness, assurance and empathy). Tangibility is found to be good service to the customer arrangements. Tangibility has no significant effect on customer loyalty. A bank should use high-quality materials, tools, and equipment in delivering service to customer. Whether it's the products bank use, the technology bank employ, or the materials associated with A Plus service, ensure that they are of superior quality and reflect a commitment to excellence. these suggestions, can enhance the tangibility of A Plus service quality, making it more perceivable and tangible to customers.

Reliability is found to be service need to provide the clear information. A Plus team should provide enough information through the leaflets, pamphlets also the local facilities provided by A plus digital wallet service agent such as logo and decoration. the reliability dimension, both the overall and individual perceived values are positive.

Responsiveness affects to should consider to give in the form of apology or present based on the bank maintains error fee records amount. Bank also should continuously train and development to agent and invest in ongoing training programs to enhance the skills and knowledge of customer service or agent team. Regularly seek

customer feedback through surveys, feedback forms or online reviews and building customer loyalty.

Assurance is found that affects the customer loyalty. Also implement quality control measures to monitor service delivery and ensure consistent adherence to established standards. Regularly assess and evaluate customer interactions, processes, and outcomes to identify areas for improvement and take corrective actions as needed. Maintain consistency in delivering high-quality service across all customer touchpoints. Ensure that customers receive the same level of service excellence every time they interact with A + Plus brand, whether it's in-store, online, or through customer support channels.

Empathy has a significant effect on customer loyalty. Also, customer service representatives with the skills to handle difficult or emotional customer interactions with empathy and professionalism. Train them on de-escalation techniques, conflict resolution, and strategies for empathetic problem-solving.

Moreover, A + should give more knowledge about service training to A + application service providers including service agents. As most of the digital wallet service agents are shop owners. Therefore, A + training team should give onsite training to them. Moreover, in order to understand more about customers' specific needs, A + should perform short surveys frequently so that they can know their needs and satisfy them accordingly.

By using the findings, the bank should launch campaigns to increase awareness to potential customers using the factors that affect positively on service quality and can provide a consistent and reliable service experience, enhancing customer satisfaction and fostering long-term loyalty.

5.3 Suggestion for Further Studies

This study examined the influence of service quality on customer loyalty toward A + Digital wallet of A Bank. Based on this research, service quality process Tangibility, Reliability, Responsiveness, Assurance and Empathy. The results of this study suggest that there may be other factors that impact customer loyalty towards A + Digital wallet of A Bank. Future researchers are highly encouraged to include more independent variables. Due to time and financial constraints, the scope of the investigation is limited to 200 respondents in Yangon, Myanmar. Future researchers may collect data from more numbers and more questions of respondents through the

whole of Myanmar which includes all states and divisions. Suggestions for future academic studies would be interesting to research across all A+ digital wallets of A banks in Myanmar and compare the results with this study.

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APPENDIX – A

QUESTIONNAIRE

Part A: Demographic Information

1. What is your gender?
☐ Male ☐ Female ☐ Others
2. Please select your age?
☐ Under 30 years ☐ 31 - 40 years
☐ 41 - 60 years ☐ Over 60 years
3. What is your occupation?
☐ Student ☐ Company Staff
☐ Self-Employee ☐ Government staff
☐ Dependent
4. What is your average monthly income (MMK)?
☐ ≤ 250,000 MMK ☐ MMK 250,001- 500,000
☐ MMK 500,001- 750,000 ☐ MMK 750,001- 1,000,000
☐ Above 1,000,000 MMK
5. Do you use a plus digital wallet?
☐ Yes ☐ No
6. Frequency of using A+ Digital Wallet Service

☐ Daily ☐ Weekly ☐ Monthly

7. Reasons for choosing Digital Wallet Service

☐ Good and Fast Service ☐ Easy Availability and Accessibility

☐ My Salary Through A Plus

8. Purposes of using A Plus Digital wallet service

☐ Money transfer ☐ Mobile top-up ☐ Bill payment

9. Are you recommending digital wallet service to friend or colleague?

☐ Yes ☐ No

10. Overall, satisfied are you with A + Digital Wall service?

☐ Extremely Dissatisfied ☐ Somewhere Dissatisfied
☐ Neither Satisfied nor Dissatisfied ☐ Somewhere Satisfied
☐ Extremely Satisfied

11. Do you have any additional comments or feedback for us?

Part B: Determinants of Service Quality

This section is seeking your opinion regarding “**The Effect of Service Quality on Customer Loyalty of A Plus Digital Wallet of A Bank, Myanmar**”

For each status feel it is agreeable or disagreeable. Please Tick “√” on one answer.

No.	Tangibles	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	A Plus providing the up-to-date equipment and technology in application					
2.	Providing the visually appealing presentation of the digital wallet application					
3.	Providing enough information and statements are clear, attractive and well explained					
4.	Branches or agent has convenient waiting arrangements					
5.	The leaflets and pamphlets of A + digital convey enough information					

No.	Reliability	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	A + delivers all the service within the promised					
2.	You feel safe in all your transaction with the A +					
3.	Having the quick and speedy transaction done in A + digital wallet					
4.	Providing the error free service by A + digital wallet					
5.	Advertising and promotional messages of A + reflect reality					

No.	Responsiveness	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	whenever you face any sort of A+ problems, the agent or employees helps you solve the problem					
2.	Giving prompt responds to the request and questions of the customer by the A + digital wallet Call Center					
3.	The bank Compensating problem caused due to the A+ application error					
4.	Bank maintains error fee records.					
5.	Solving regular and effective complaint about the service process.					

No.	Assurance	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Having the quick and efficient in-service delivery					
2.	Believing in the security of my transactions					
3.	Believing that customers' information is kept confidential					
4.	Having strong knowledge to answer your enquiries about the offerings and their operations					

5.	Giving confidence in customers through the behavior of A plus service providers					
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No.	Empathy	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	A Plus team maintains strong customer relationships					
2.	Being able to understand the specific needs of users					
3.	Collection information about satisfaction and loyalty of their users					
4.	Giving personal attention through the call center of A + Digital Wall service					
5.	A+ always informs you about new and retractive schemes and always suggest you on taking the correct decision.					

Part C: Customer Loyalty

This section is seeking your opinion regarding “The Effect of Service Quality on Customer Loyalty of A Plus Digital Wallet of A Bank, Myanmar”

For each status feel it is agreeable or disagreeable. Please Tick “√” on one answer.

No.	Customer Loyalty	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	How likely are you to the use of our A+ product or service?					
2.	How likely are you to patronize us in the future?					
3.	How would you rate our A+ service delivery?					
4.	Encourage someone to use this A+ digital banking service?					
5.	Did our product A+ meet your expectations?					

APPENDIX B

Reliability Statistics

Cronbach's Alpha	N of Items
.975	30

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
1					R Square Change	F Change	df1	df2	Sig. F Change
	.907 ^a	0.823	0.818	0.36002	0.823	180.175	5	194	0.000

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	116.767	5	23.353	180.175	.000b
	Residual	25.145	194	0.130		
	Total	141.913	199			

a. Dependent Variable: AVGCL

b. Predictors: (Constant), AVGEMPATH, AVGTAN, AVGRESPO, AVGRELI, AVGASSUR

Coefficients

Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.
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1		B	Std. Error	Beta		
	(Constant)	0.148	0.118		1.247	0.214
	AVGTAN	-0.050	0.053	-0.051	-0.946	0.345
	AVGRELI	0.338	0.053	0.357	6.369	0.000
	AVGRESPO	0.197	0.050	0.202	3.960	0.000
	AVGASSUR	0.320	0.053	0.356	6.067	0.000
	AVGEMPATH	0.115	0.048	0.134	2.380	0.018

a. Dependent Variable: AVGCL

Correlations

		Customer Loyalty	Tangibility	Reliability	Responsiveness	Assurance	Empathy
Customer Loyalty	Pearson Correlation	1	.716**	.821**	.781**	.851**	.788**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200
Tangibility	Pearson Correlation	.716**	1	.790**	.668**	.711**	.721**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200
Reliability	Pearson Correlation	.821**	.790**	1	.678**	.759**	.721**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200
Responsiveness	Pearson Correlation	.781**	.668**	.678**	1	.761**	.750**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200
Assurance	Pearson Correlation	.851**	.711**	.759**	.761**	1	.793**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200
Empathy	Pearson Correlation	.788**	.721**	.721**	.750**	.793**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	200	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).