

Access, Usage and Quality of Remittance and Payment Centers in Capas, Tarlac

Everlyn D. Canlas (everlyn.canlas@gmail.com)

Research Scholar, Tarlac State University, Tarlac City, Philippines



Copyright: © 2024 by the authors. Licensee [The RCSAS \(ISSN: 2583-1380\)](http://www.thercsas.com). This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution Non-Commercial 4.0 International License. (<https://creativecommons.org/licenses/by-nc/4.0/>). **Crossref/DOI:** <https://doi.org/10.55454/rcsas.4.01.2024.001>

Abstract: *The study determined the access, usage and quality of remittance and payment centers from 205 respondents of Barangay Cub-Cub Población in Capas, Tarlac, as well as the implication of the study to financial inclusion. The study is rooted in the financial inclusion survey of the Bangko Sentral ng Pilipinas, Center for Learning and Inclusion Advocacy. This study focused on remittance and payment centers. Remittance and payment centers were described based on access, in which access was described in the view of the respondent's awareness of access points, accessibility of access points, and the utilization of the respondents of the access point; the usage of the remittance centers for sending money and receiving money from the respondents; the usage of the payment center; and the quality of the remittance and payment centers based on consideration in choosing the access point; the fees in access point and the satisfaction of the respondents on the services of the access point. Furthermore, the study determined the financial inclusion of the remittance and payment centers. The statistical methods used were descriptive statistics, frequency counts, and percentages.*

Keywords: Access Points, Bangko Sentral ng Pilipinas, Financial Inclusion, Remittance and Payment Centers

Article History: Received: 03 Jan- 2024; Accepted: 15 Jan- 2024; Published/Available Online: 30 Jan- 2024;

1. Introduction

The standard of living in society characterizes the economy. Economic growth could be affected by production and consumption. The year 2020 has caused the world a great challenge to secure the health and safety of the people or to save the economy from depleting.

The working world suddenly stopped, and the busiest street has halted because of the pandemic, Corona Virus Disease 2019. The citizens were not allowed to go out to prevent the spread of the virus. Travels from country to country were banned. And trade has slowed down, which resulted in unemployment that weakened the economy. Transactions were done online in this unprecedented year. People resorted to credits to sustain their emergency needs.

The financial inclusions of banks, pawnshops, microfinance, and other platforms of financial institutions shared a significant role during this crisis. Accessibility, usage, quality or affordability, and convenience added ease to customers. Financial inclusion is the accessibility of formal financial services at a reasonable cost to underprivileged and low-income units. Low-income units are the group of workers who do not earn much money. Financial inclusion characteristically aims the unbanked and underbanked toward justifiable financial services. It refers to gaining access to affordable service fees. Financial inclusion includes services such as savings, deposits, borrowings, payments and remittance facilities, prioritizing the deprived that do not have formal financial institutional assistance. (Chadran, 2014)

During the pandemic, the contribution of remittance and payment centers and pawnshops money service businesses grew and contributed to their operations since pawn loans decreased during the crisis. According to the article Defying Predictions Remittance Flows Remain Strong During the COVID-19 Crisis (2021), World Bank data, the total value of remittances reached \$540 billion. A remarkable amount declined from the 2019 remittance of \$548 billion from the Migration and Development Brief. The importance of remittances during the pandemic was a big help. According to the article, Remittances Remain Resilient but Likely to Slow (2023), the inflows in 2022 recorded growth of 8% at \$647 billion. An anticipated increase in remittances in June 2023 had an estimated growth of 1.4% to \$656 billion. Remittances are the money transferred electronically from the country of origin to the receiver country, sent by migrant workers to their families. According to the business standards article Remittance (n.d.), is from the word remit, meaning to send back. Remittance refers to the money transferred to another individual from overseas, which may be via

wire transfer, electronic payment system, mail, draft, or cheque. Remittance is money sent from one individual to another, but these days remittances are defined as money transferred from overseas.

The top five countries that receive higher remittance inflow according to the Remittance Data Portal (2023), are India, Mexico, China, the Philippines, and Pakistan. Remittance contributes to raising the standard of living in developing countries. Remittances are grouped according to Inward remittance and Outward remittance (n.d.). Inward remittances are money received from another country, and outward remittances are money sent to another country. The main contributors to remittances are the migrant workers. According to ILO Global, Estimates on International Migrant Workers (n.d.), international migrant workers are 99 million males and 70 million females. Most males are out for work abroad, which is why most receivers of remittances are female. Aside from remittances, the rise in the usage of payment centers contributed to the economy during the crisis. According to investopedia.com, remittance is also referred to as payments used in business and referred to as payments sent to families in their country. Payments are made in exchange for services, and remittances are money transferred as gifts to their family from their country of origin to their home country.

In the Philippines, Filipino migrant workers are considered new modern heroes because of their contribution to the Philippine economy. Filipino migrant workers are based around the world. The value of money they send back home contributes to the country's gross domestic product. Remittances sent to their families are spent as basic spending necessities for food and other household needs. This spending helps the economy grow. The dollars remitted are used for international trade and as a medium of exchange.

According to the National Strategy for Financial Inclusion 2022 (BSP, 2022), financial inclusion is significant for small enterprises. The transfer of payments from buyers and suppliers became convenient because of electronic money transfers. The Philippines is also prone to typhoons and calamities, particularly in the Visayas and Mindanao regions. In the course of these situations, money transfers are more accessible.

The remittance center is a valuable non-bank financial institution used by most of the Filipinos. Payment centers are alternative access to paying bills at billers' offices. Pawnshops and money service businesses, access points in 2022 according to BSP Financial Inclusion in the Philippines dashboard in the 2022 1st quarter were 15,506 pawnshops a growth of 4.1% from 2021, and 6,965 money service businesses.

Pawnshops and money service businesses were the top remittance channels used in the Philippines, and next were banks and ATMs. Customers prefer over-the-counter modes. Through the pandemic, remittances and payment centers played a big part in financial services. Though online payments and online transactions were convenient, face-to-face business transactions were still imminent. The pandemic has given technology a significant part in the lives of people. And financial inclusion using technology has reached individuals. With the sudden change in financial services, the role of pawnshops and their corollary services like remittance and bill payments have a remarkable influence, especially in rural areas. The shortened hours of bank offices gave alternatives for the people transacting to pawnshops because of their wide outlets and longer operating hours. People had options to pay through payment centers in nearby areas. Banks are on a limited schedule, and few customers are allowed inside their premises and forced to wait outside. The allotted banking hours are also an inconvenience. It is when pawnshops, remittances, and payment centers contributed during the crisis. During the pandemic, people forecasted to borrow money, especially from pawnshops, the over-the-counter loans. But instead, pawnshop loans were depleted, and pawnshop money service businesses contributed to the economy.

According to Bangko Sentral ng Pilipinas (2021) financial inclusion survey, only 15% of Filipinos borrowed more money during the pandemic. Remittance and payment centers helped the pawnshop industry to gain profitability during this crisis. The accessibility of pawnshops gave customers the convenience of claiming their remittances on their choice of institutions, foreign and local claims. Based on their knowledge of the financial institutions, they consider the cost and the access, especially in the country they are sending. BSP aims for cashless transactions in the future and it continuously develops programs to attain this goal. They have launched QR Ph as a more secure payment scheme. Scanning the QR code gives security since it contains the details of the biller. The customers do not need to encode or write the data that makes it accurate.

Moreover, during the pandemic in the municipality of Capas, individuals could go out on a scheduled basis. Banks, pawnshops, and other financial institutions were obliged to follow office schedules. Adapt and adjust to the policies and procedures. Capas town is generally rural, and access to financial services was at the center. The accessibility and ease of financial products and services from non-bank institutions can influence individuals of Capas to increase their consumption of financial products usage with a wide range of financial institutions. According to Capas Travel Guide at Wikivoyage (n.d.), Capas is rising as the administrative capital of the Philippines. New Clark City is near the Mount Pinatubo foothills. Around this area are residents from all walks of life. Having been in the pawnshop industry for two decades assumption of higher pawn loans during the crisis was anticipated. But the situation was vice versa, pawnshop borrowings depleted, but other financial products and services have evolved. The evolvement of remittance and payment centers and other online platforms such as e-money can be funded through pawnshops, remittances, payment centers, and other agents. Through this survey, the study measured the access, usage, and quality of remittance and payment centers. The services and financial support extended to customers contributed to reviving the economy and could benefit the municipality.

3

2. Materials and Methods

Research Design

The study used a descriptive research design to determine the access, usage, and quality of the remittance and payment centers in Capas, Tarlac. The descriptive research design is quantitative research, which seeks to collect relevant information for statistical analysis of the population and a sample of the profile of the respondents. Written surveys and phone interviews, as follow-up interviews were used to complete the data on the survey questions.

Descriptive research intends to describe a research problem. It is a type of research that describes a population, situation, or phenomenon. It focuses on answering the how, what, when, and where questions. Descriptive research is a quantitative description technique that seeks to answer questions about real-life situations. It is a study of life situations. With this, the study gathers information on the respondents' personal information, marital status, and educational attainment. (Koh and Owen, 2000)

A descriptive survey study is the process of research that relates to the current situation its conditions, practices beliefs, processes, relationships, or trends. This type of research method is not just accumulating data and presenting evidence but contains correct studies, proper interpretation, correct assessments, and accurate identification of changes and affiliations. (Salaria, 2012).

Findings show that the profile of the respondents does not influence the usage of the respondents of the remittance and payment centers.

Locale of the Study

The study was conducted in Brgy. Cub-Cub Poblacion Capas, town proper. Barangay Cub-Cub is at the center of the town of Capas, where the public market and main establishment are nearby. It aimed to generate the respondents' access, usage, and quality on remittance and payment centers in Capas.

Capas is a municipality in the Southern part of Tarlac, labeled as the Tourism Capital of Tarlac. Capas used to be dominated by Kapampangan and the indigenous Aeta tribes. Founded as a town in 1711 by the Augustinian Friars, Capas comprises mostly rural areas, but it is growing into a small city and still developing. In the rural areas of Capas the New Clark City (NCC) is developed and being raised to be the administrative capital of the Philippines. (wikivoyage.org)

It is significant to survey financial inclusion, particularly the access, usage, and quality of remittance and payment centers, since the municipality is generally rural and the access to financial institutions is rising.

Sampling Design/Participants

The respondents of the study were the two hundred five (205) individuals from Brgy. Cub-Cub Poblacion in the municipality of Capas, aged 15 years old and above. The respondents from Brgy. Cub-Cub Poblacion, Capas; were market goers, market vendors, churchgoers, customers from the goldsmith and watch repair, and tricycle drivers lined up in the public market located in Brgy. Cub-Cub. The respondents were chosen

through probability random sampling. It means that everyone in the group has a chance of being selected. Probability sampling is mainly used in quantitative research.

Research Instruments

In collating the needed information, a set of survey questions was used as an instrument. The traditional pen-paper and phone interviews were utilized to gather data. The researcher adopted the questionnaires from the Financial Inclusion Survey 2019 of the Bangko Sentral ng Pilipinas- Center for Learning and Inclusion Advocacy (BSP-CLIA). The instrument was used to profile the customers of non-bank financial institutions and to measure the access, usage, and quality of the remittance and payment centers. The survey was divided into parts; the first part refers to the profile of the respondents in terms of sex, age, marital status, and educational attainment. The second part was the measures of financial inclusions in terms of the access, usage, and quality of the remittance and payment centers.



Data Gathering Procedure

The researcher used a survey form as the primary method used to gather information and supplemented by phone interviews with the respondents in Brgy. Cub-Cub in Capas. With the technology today, google form surveys are more cost-effective and less time-consuming. However, the respondents preferred the use of paper survey questionnaires. The research was administered from April 1 to 30, 2023.

The researcher requested the permission of the respondents of Brgy, Cub-Cub Poblacion to take some of their time to answer the survey forms and handed them the letter to the respondents. A cover letter was attached to the questionnaire to assure the respondents that their identity would be kept confidential. After introducing herself the survey forms were handed to the respondents. The respondents were asked to fill out the questionnaire and return it to the researcher. The researcher then browsed the questionnaire to verify if the data needed were complete. The collected questionnaires were consolidated for tabulation, analysis, and interpretations of the data to formulate the conclusion, suggestions, and recommendations based on the findings.

Data Analysis

In collecting the needed information from the respondents, a set of survey questionnaires, and follow-up phone interviews were used as instruments. According to Ngulube (2015), Qualitative data analysis involves identification. The respondents are described based on their demographic profile and identified based on sex, age, marital status, and educational attainment. The examination of data, comparison, and interpretation of patterns and themes are based on the respondent's access, usage, and quality of the remittance and payment centers.

The statistical methods used were descriptive statistics, frequency counts and percentages- the what, why, and how of descriptive statistics for data analysis (Baffoe and Smith, 2019). The data gathered summarized the demographic profile of the sample population. The respondents' access, usage, and quality of the remittance and payment centers were described.

3. Results and Discussion

The Profiles of the Respondents

The survey has a sample size of 205. The respondents were described in terms of sex, age, marital status, and educational attainment.

Table 1: Profile of the respondents

| Sex | Frequency Counts | Percentage |
|--------|------------------|------------|
| Female | 152 | 74 |
| Male | 53 | 26 |
| Total | 205 | 100 |
| Age | | |
| 15-19 | 6 | 3 |
| 20-29 | 31 | 15 |
| 30-39 | 49 | 24 |
| 40-49 | 54 | 26 |

| | | |
|-------------------------------|-----|-----|
| 50-59 | 43 | 21 |
| 60-70 | 22 | 11 |
| Total | 205 | 100 |
| Marital Status | | |
| Single | 45 | 22 |
| Married | 152 | 74 |
| Separated | 5 | 2 |
| Widowed/Widower | 3 | 2 |
| Total | 205 | 100 |
| Educational Attainment | | |
| Elementary | 3 | 2 |
| High School | 118 | 57 |
| Vocational | 18 | 9 |
| College | 66 | 32 |
| Total | 205 | 100 |

The sample population is male and female. The referred adult in the survey is 15 years old and above, came from the respondents in Barangay Cub-Cub, Poblacion in Capas, Tarlac, and segmented by marital status, single, married, separated, and widow/widower, and according to their educational attainment, some completed elementary, high school, college and vocational.

Sex: The 205 respondents were randomly surveyed from Barangay Cub-Cub, Poblacion, in Capas. Based on Table 1, 74% or 152 were females and 26 % or 53 were males. Table 1 reveals that the overall percentage response on gender profile was higher in females. Females are visible users of the access point. As commonly seen, women are the utmost customers transacting in remittance and payment centers. One reason is their marital status as married women and typically they take care of their bill payments and other household transactions. As cited according to ILO Global, international migrant workers are 99 million males and 70 million females. (wcms.pdf ILO) The male individuals have a higher percentage abroad. This may be the reason why females are left at home to take care of the household.

Age: The respondents are segregated through age groups, as shown in Table 1. Age groups 15-19 were described as younger adults, 20-29 were young adults, 30-39 were early middle-aged, 40-49 middle-aged, 50-59 were late middle-aged, and above 60 were old adults or senior citizens. Generally, Table 1 reveals that the respondents with a higher percentage were in the middle age group 40-49 years old.

The result shows the age group regularly seen transacting were adults from the age group 50-59 with 21% and 43 frequency counts, 40-49 with 26% and 54 frequency counts, 30-39 with 24% and 49 frequency counts, and 20-29 with 15%, and 31 frequency counts. These were the age groups who transacted in remittance or payment centers. Based on findings, senior citizens 60 years above who transacted with access points were 11%, while younger adults 15-19 only comprised 3%. It shows that senior citizens had a higher percentage than young adults. Young adults were rarely seen on these access points since these age groups were mostly students, and their parents dealt with these matters. Senior citizens who were pensioners and had worked for a living and experienced paying the bill and receiving and sending money were familiar with these access points. As noticed, middle-aged groups and older groups were seen transacting through remittance and payment centers. As cited in the literature, older people are more aware of the services of these financial institutions. This was also determined through this survey. According to Lusardi and Mitchell (2011), mature people are more knowledgeable than well-informed average people.

Marital Status: The respondents were segmented through their marital status, as shown in Table 1. Most of the respondents were married 74% with 152 frequency counts and 22% were single with 45 frequency counts and are visibly transacting through this channel. Only 2% with 5 frequency counts were separated, and 2% widowed with 3 frequency counts. Married individuals dominated the findings.

Educational Attainment: The respondents were also characterized by their educational attainment, as shown in Table 1. Table 1 shows the respondent's educational attainment did not affect the usage of the respondent's access points. Most respondents completed high school, with 57% and frequency counts of 118, 32% completed college, with 66 frequency counts, 2% completed elementary, with 3 frequency counts, and 9% completed vocational, with 18 frequency counts.

Access, Usage, and Quality of Remittance and Payment Center

Access: In Capas, Tarlac access points on remittance and payment centers were in 32 establishments, where 22 of them were located in the business center, and 10 were in Barangays away from the center of the municipality and accessible near the respondents' homes.

Table 2: Accessibility of Remittance Center

| Statement | Frequency Counts | Percentage |
|---|------------------|------------|
| Accessible to the remittance center | 142 | 69 |
| Not accessible to the remittance center | 63 | 31 |
| Total | 205 | 100 |

Table 2 illustrates the accessibility of the respondents to the remittance centers. Accessibility means respondents are near the access points, within walking distance, or transportation is accessible from their places. A total of 69% of 142 respondents accessed easily the remittance centers, and 31% of 63 respondents were not able to access the remittance center.

According to the respondent, accessibility means getting to the access point without the hassle and at a minimum length of time traveled. Of the 205 respondents, 69% were able to access remittance centers most especially pawnshop money service businesses. Pawnshop money service businesses are perceived to be the most accessible remittance and payment centers.

Table 3: Accessibility of Payment Center

| Statement | Frequency Counts | Percentage |
|--------------------------------------|------------------|------------|
| Accessible to the payment center | 93 | 45 |
| Not accessible to the payment center | 112 | 55 |
| Total | 205 | 100 |

Table 3 illustrates the accessibility of the payment center. A total of 45% or 93 respondents easily accessed payment centers, and 55%, or 112 respondents were not able to access them.

Payment centers during the pandemic raised the awareness of the respondents. Because of the restricted hours during the pandemic and to avoid crowded places, people resorted to paying their bills at payment centers. Respondents noted that they had difficulty accessing the payment centers because their mindset was to compare the accessibility of the biller's office and payment centers. The biller's offices were more accessible to them.

Pawnshop money service businesses' remittance and payment centers are perceived to be the most accessible. In terms of actual usage, remittance centers were the usual access points respondents used because these were the channels preferred by the senders. Looking at the percentages of awareness, access, and usage, the remittance centers have higher financial inclusion.

To describe further the remittance centers, the respondents were asked about their awareness of the remittance center, the accessibility of the respondents who were aware of the access points, and the utilization of the respondents who were aware and accessible with the access points. The utilization rate is represented by the usage of those who are aware, and accessible of access points. Awareness, accessibility and having used or tried to use is the access point.

Awareness of Access Points

Awareness of the individuals of the access points proves that the financial institutions are financially inclusive, which means that they are visible and have done their marketing program to inform the public.

Table 4: Awareness of the Remittance Center

| Statement | Frequency Counts | Percentage |
|------------------------------------|------------------|------------|
| Aware of the Remittance Center | 200 | 97 |
| Not aware of the Remittance Center | 5 | 3 |
| Total | 205 | 100 |

Table 4 shows the respondents who are aware of remittance centers. Generally, Table 4 shows that respondents' awareness of remittance centers in Capas is high. Almost 100% were aware of the access point. The reason for this awareness is the high number of outlets in the municipality.

Based on the survey results of the 205 respondents, 97% were aware of the remittance centers with 200 frequency counts, and 3% with 5 frequency counts were unaware of access points. The remittance center is from pawnshop money service businesses and individual remittance agents. These would imply that respondents have a positive outlook on these channels since findings show awareness of the access points is high in Capas, Tarlac. Only 3%, or 5 individuals were not aware of the remittance center because they did not transact with the financial services. These individuals were not aware of the remittance centers because they did not know of the location of the remittance center in Capas and had not received or sent money.

People's awareness of access points is the effect of the visibility of signages, advertisements, TV commercials, and social media, for remittance centers. Aside from the wide range of numbers of outlets, online platforms were highlighted, and business franchises of remittance and payment centers were offered at a lower cost to grant opportunities to new business owners.



Table 5: Awareness of Payment Center

| Statement | Frequency Counts | Percentage |
|---------------------------------|------------------|------------|
| Aware of the Payment Center | 133 | 65 |
| Not aware of the Payment Center | 72 | 35 |
| Total | 205 | 100 |

The awareness of respondents on payment centers is illustrated in Table 5.

The respondents were asked about their awareness of the payment center, the accessibility of the respondents who were aware of the access points, and the utilization of the respondents who were aware and accessible with the access points.

During the pandemic, payment outlets for the electric bill were allotted by Tarelco II per barangay in Capas. These found a way to reach the household in paying their bills.

Sixty-five percent or 133 respondents were aware of the payment centers, and 35% or 72 of them were unaware of these payment centers because they pay their bills in billers' offices. These individuals noted not aware of payment centers because most of them pay directly at biller's offices. Some of the respondents noted not aware because they were not aware were the locations of these payment centers. Respondents noted that visible signage is mostly for remittance centers. But still, familiarity or awareness of the access points is high in Capas, Tarlac, with more than half of the respondents at 65%.

Accessibility of Access Points

Table 6 shows the survey among the respondents who were aware of the access points.

Table 6: Accessibility of those Aware of the Remittance Center

| Statement | Frequency Counts | Percentage |
|----------------|------------------|------------|
| Accessible | 142 | 71 |
| Not Accessible | 58 | 29 |
| Total | 200 | 100 |

A total of 71%, or 142 respondents accessed remittance centers, and 29% or 58 of them were not able to access the remittance centers. The percentages are based on the 200 respondents who are aware of access points. Respondents who were able to access these remittance centers had no hassle and at a minimum length of time traveled. Respondents who were not able to access the remittance center used tricycles as a mode of transportation and these individuals who noted not accessible to the remittance center considered the fees or fares of the transportation and the length of time traveled.

Table 7: Accessibility of those Aware of the Payment Center

| Statement | Frequency Counts | Percentage |
|----------------|------------------|------------|
| Accessible | 93 | 70 |
| Not Accessible | 40 | 30 |
| Total | 133 | 100 |

Table 7 shows that accessibility in access points is high. A total of 70% or 93 respondents were able to access the payment centers, and 30%, or 40 respondents were not able to access these payment centers. A total of 133 respondents were aware of these payment centers. The Tarlac Electric Cooperative- Tarelco II in

Capas Municipality gave access to each barangay for their consumers to a convenient and accessible way to settle the payment of their bills. They allotted one household per barangay to collect payments with a minimum service charge of P10.

Middle-aged groups are seen as able to access payment centers. These respondents were mostly female and had completed high school. The respondents used payment centers due to the lack of time to settle their bills in billers' offices. Payment centers are used due to the proximity of their workplace such as the public market. These respondents were usually housewives doing market duties. The age group under 60 and above or the old adults were less seen in payment centers because they preferred paying at the biller's office because they were used to it and were not working.

Utilization with Access Points

The utilization of the access points of those who were aware and have tried to use the financial services is illustrated in Table 8.

Table 8: Utilization of those Aware of Remittance Center

| Statement | Frequency Counts | Percentage |
|---|------------------|------------|
| Have utilized the Remittance Center | 131 | 66 |
| Have not utilized the Remittance Center | 69 | 34 |
| Total | 200 | 100 |

The findings show that 66% or 131 respondents were aware of and had utilized remittance centers, and 34%, or 69 respondents did not use these centers. This was based on the 200 respondents who were aware and accessible of the access points.

According to the respondents, they transacted to these channels because of convenience and these were the channels used by their senders. Most of the respondents transacted through pawnshop money service businesses because of their pawned items and other financial services offered by the pawnshop. The profiles of the respondents who transacted in the remittance center were middle-aged groups, female, married, and high school graduates.

Thirty-four percent had not utilized the remittance centers not because they were not familiar with them but because these respondents used banks, online transfers, and physical delivery. Most college graduates transacted through online transfers, banks, and ATMs where they received their salaries.

Table 9: Utilization of those Aware of Payment Centers

| Statement | Frequency Counts | Percentage |
|--------------------------------------|------------------|------------|
| Have utilized the Payment Center | 95 | 71 |
| Have not utilized the Payment Center | 38 | 29 |
| Total | 133 | 100 |

Table 9 shows the respondents' utilization of payment centers. Seventy-one percent or 95 respondents transacted through payment centers, and 29% or 38 of them did not transact in payment centers. One hundred thirty-three were aware and accessible of the payment centers.

Based on the 71% who utilized payment centers, awareness, and accessibility are high, particularly in the bills payment on electricity since electric cooperatives allotted payment centers per barangay during the peak of the pandemic. The respondents who did not access the payment centers preferred to settle their bills through payment centers to avoid long lines. Respondents who pay in payment centers also consider transportation expenses because it is cheaper compared to the fees of payment centers. The 29% who did not transact with payment centers paid directly to biller's offices and mostly senior citizens who had time to wait in long lines and made sure their payments were encoded. Access to the biller's office and payment centers is of the same distance. Respondents transacting at the payment center considered avoiding long lines at billers' offices.

According to the BSP Financial Inclusion Survey 2019, Filipinos were aware of at least one access point. Pawnshops and payment centers have the highest utilization rate. Utilization rate is the percentage of those aware and have tried to use the access point. They are most aware of ATMS 90%, Pawnshops 82%, and Banks 77%. Awareness of E-money agents is low at 36% in the 2019 survey, insurance agents at 27%, and non-stock savings and loan associations or NSSLA at 12%. This is similar to the 2017 financial inclusion

survey. However, awareness of different access points is higher in Metro Mania, and in South Luzon, there is significant awareness of remittance agents. Likewise, in the new study in Capas, awareness of remittance and payment centers was high. Access to access points on pawnshops 61%, ATMs 51%, and bayad centers 42% were the most accessible to those who were aware. Access to Pawnshop and ATMs was accessible. The actual usage of pawnshops 31% and Bayad center 27% were the common access points adults transact. Pawnshops and money service businesses (MSBs) were the top access points for adults sending 98% and 93% receiving remittances.

Transactions during the pandemic on pawnshops were high on the use of money service businesses as patronized by individuals because of the accessibility of paying bills and money transfers. According to BSP FI Dashboard (2022), access to Pawnshop from 2021 to 2022 increased by 4.1% from 14,899 (2021) to 15,506 (2022), and Money Service Business seemed to decrease by 5.1% from 7,339 (2021) to 6,965 (2022). There was a huge increase in Cash agents of 242.5% from 2019, 17,057 to 58417 (2020), and E-money Agents of 1134.4% 35,959 (2019) to 84,299 (2020). The increase in access points determined the increase in financial inclusion of these institutions. The increase in access to E-money Agents and Cash Agents could be a sign of an increase in usage of these services. An individual owning an account increases the financial inclusivity of individuals.

Usage: These are the respondents who transacted whether accessible or not accessible through sending and receiving money transferred by other people within the Philippines or through international transfer. According to the respondents, they send or receive money through remittance centers from pawnshop money service businesses and remittance agents. Due to their accessibility, and also have transacted other financial services such as pawning. They pawn items to sustain their needs while waiting for their remittances. And when they receive the remittances, they redeem their pawn item. Others transact through remittance agents because of accessibility to their place. Respondents transacted through remittance centers had also done this through pawnshops for decades and got used to it.

Usage of Remittance Centers

The respondents used remittance centers that preferred faster means of sending over-the-counter mode and did not have bank accounts. The other means of transferring money is such as fund transfer through account fund transfer, ATMs, online using the internet, banks and physical delivery such as cash or check delivered by another person.

Sending Money

Table 10: Usage of Remittance Center

| Sending Money | Frequency Counts | Percentage |
|--|------------------|------------|
| Over the Counter Remittance Centers | 54 | 26 |
| Another mode of Sending Money (ATM, Banks, Online, Physical Delivery, E-money account) | 151 | 74 |
| Total | 205 | 100 |

Note: International Sending 1 (.5%), Domestic Sending 53 (26%)

Table 10 shows the percentages of respondents sending money through remittance centers, domestically and internationally. The results show that transferring funds through remittance centers was done by 26% or 54 respondents sending money, wherein 26% was domestic transfers and 0.5% was international. Seventy-four percent or 151 respondents sent money through other modes of financial services such as ATMs, banks, online transfer using the internet through mobile phones, or through physical delivery.

The respondents were sending money throughout the Philippines and in some instances outside the country. They preferred sending money through remittance centers because these were accessible in their area. Remittance centers are mostly used in the Visayas and Mindanao areas.

The evolvement of e-money was also noticed. Respondents noted sending money using an e-money application, and most of the respondents hold e-money accounts which also add to the goal of financial inclusion.

Receiving Money

Table 11: Usage of Remittance Center

| Receiving Money | Frequency Counts | Percentage |
|---|------------------|------------|
| Over the Counter Remittance Centers | 79 | 39 |
| Another mode of Receiving Money (ATM, Banks, Online, Physical Delivery) | 126 | 61 |
| Total | 205 | 100 |

Note: International Receiving 23 (11%), Domestic Receiving 59 (29%)

Table 11 describes the preferred way of the respondents or their manner of receiving money. They used over-the-counter remittance centers. Other means of receiving money were ATMs, banks, and online or physical delivery.

Table 11 shows the respondents receiving money domestically and internationally. Based on the survey, 39% or 79 respondents received money through remittance centers; 11% from domestic transfers, and 29% received, it internationally; 61% or 126 respondents used other modes of receiving money.

Money received from international sources is noted most from the Middle East. Respondents who do not own bank accounts are pawning from pawnshops and redeeming the items upon receiving the remittances. Respondents receiving money from the Middle East have used remittance centers for decades. The 61%, or 126 respondents did not use remittance centers as they preferred receiving money through banks for them to have the chance of saving. An E-money account is also the majority considered way of fund transfer, particularly with a small amount of transfer. Online bank transfer was also noted to avoid long lines in banks.

Table 12: Frequency and Average Amount of Remittance

| | Sending | Receiving |
|-------------------|--------------------|--------------------|
| Average amount | Php 5,235.00 | Php 5,974.00 |
| Average Frequency | Every once a month | Every once a month |

Table 12 illustrates the frequency of sending money and receiving money by the respondents and the average amount transacted. Generally, the flow of sending and receiving money was once a month.

The average amount of P 5,235.00 was sent once a month. The average amount of P 5,974.00 was received at least once a month. The result also shows the respondents receiving money are household heads who manage the family budget.

According to the BSP (2019) financial inclusion survey, remittance dealings continued to be apparent among Filipinos, as 37% of adults send money, and 48% receive money. Similar to the new study, receiving is higher than sending. Commonly, the transaction was domestic transfers 37%, sending and 43% receiving 15% of adults receiving from international sources, and only 1% sent internationally. The pawnshop and money service business continues to be the main remittance channels used by 98% of senders and 93% of receivers. The average amount of sending is Php 2,800, every two months and receiving Php 3,700, once a month. Related to this study, the average amount sent and received was higher in the new study, but the sending and receiving had the same frequency.

Usage of Payment Centers

Table 13: Usage of Payment Center

| Mode of Payments | Frequency Counts | Percentage |
|---|------------------|------------|
| Over the Counter Payment Centers | 95 | 46 |
| Another mode of Payments (Banks, Online, Physical Payments) | 110 | 54 |
| Total | 205 | 100 |

Note: Government Payment 13 (6%), Private Payment 95 (46%)

Payments are part of financial transactions in day-to-day living. Payment through payment centers is seen as the most transacted financial service. (BSP, 2017) whether government payments or private institutions.

Table 13 shows the percentages of payments from government payments and private institutions payment. Based on the survey, 46% or 95 respondents used payment centers; 6% of respondents made payments to the government mostly Social Security System (SSS), and 46% made payments to private institutions, payments of appliance loans, gadgets, or private purchases. Fifty-four percent or 110 respondents used other modes of payment such as banks, online, physical payments made in billers' offices, and e-money. The use of e-money payments increased during the pandemic since e-money was accessible and funded with wide outlets. Even

though the charges for e-money were higher than the charges in payment centers, the respondents did not mind because it is hassle-free. Most of the respondents aged group above 60 noted that they paid directly in billers' offices.

Table 14: Frequency and Average Amount of Payment

| | Payment |
|-------------------|---|
| Average amount | Php 1,754.00 |
| Average Frequency | Every once a month to 2-3 times a month |

Table 14 illustrates the frequency of payments of the respondents and the average amount transacted.

Sending payments was done mostly once a month, and 2-3 times a month for those respondents who followed their budgets and paid on time of their due dates. The average amount of payment was Php 1,754.

Most payments are household bills and loans for gadgets, internet, lay-away appliances, and SSS premiums. Some respondents did not use payment centers because they paid directly to the offices of the billers. Mainly, the respondents who were accessible to the offices paid directly to billers' offices. In Capas Tarlac residents in town proper had almost the same distance from billers' offices and payment centers so they paid either through payment centers or billers office. Most of the respondents sending payments were middle-aged adults, remarkably female, married, and high school graduates.

Apparently, according to the BSP Financial Inclusion Survey 2019, payment via cash was significantly preferred. Over-the-counter payments were still the preferred mode of payments and 1% of payers used online channels and 0.1% used auto debit or auto credit payments. Government payments, government loans, social contributions, and taxes were paid through salary deductions.

Quality: The study described quality based on the reason for choosing a preferred access point, the knowledge of the fees of access points, and the satisfaction of the services afforded by the access point.

Consideration of Access Point

Table 15: Consideration of Choosing Remittance Center

| Remittance Center | Frequency Counts | Percentage |
|------------------------------|------------------|------------|
| Convenience | 99 | 48 |
| Money is secured | 2 | 1 |
| Affordable Fees | 5 | 2 |
| Reliable | 21 | 10 |
| This is what the sender used | 38 | 19 |
| Others | 40 | 20 |
| Total | 205 | 100 |

Table 15 illustrates the remittance center, the point in considering the usage of the access point.

Convenience is the consideration of the respondents in transacting through the remittance center. Table 15 shows the reason for choosing the preferred access points. The interpretations of the responses show convenience at 48% or 99 respondents, money is secured at 1% or 2 respondents, affordable fees at 2% or 5 respondents, reliability at 10%, or 21 respondents, and the choice of the sender at 19% or 38 respondents. Twenty percent or 40 respondents noted other reasons such as they had used to transact for years, and they were only aware of the remittance center but had not transacted. Respondents used online fund transfers and bank remittances. One goal of financial inclusion is affordable fees, and the results of this study affordability were not considered by the user. According to the respondent fees of remittance centers were lower than the fees paid by senders from international transfers. Fees at remittance centers for domestic were affordable, according to respondents. Convenience is the most considered reason in transactions through remittance centers and convenience was achieved because of accessibility of the access points.

Convenience in using financial services with good outcomes for the customers, no effort was exerted, but better services were received. They found the remittance center reliable because of the long office hours compared to bank working hours. Another consideration of the sender's choice of channel was loyalty. They had been using these for a long time.

Table 16: Consideration of Choosing Payment Center

| Payment Center | Frequency Counts | Percentage |
|------------------|------------------|------------|
| Convenience | 50 | 24 |
| Money is secured | 1 | 0.5 |
| Affordable Fees | 81 | 40 |
| Reliable | 1 | 0.5 |
| Others | 72 | 35 |
| Total | 205 | 100 |

To describe further the consideration of choosing the access points, Table 16 describes the consideration of choosing to pay through payment channels.

Likewise, the concern of the respondents in transacting through payment centers was a convenience for 24% or 50 respondents, money is secured for 0.5% or 1 respondent, affordability for 40% or 81 respondents, and reliability for 0.5% or 1 respondent. Thirty-five percent or 72 respondents noted other reasons, like paying online transfers, in banks, via physical delivery, in billers' offices, and salary deductions. Convenience and affordability had a higher rate of consideration for respondents who considered accessibility and faster services as convenient ways in payment centers. Affordability was considered by respondents because the minimum fixed charges, compared to transportation costs were more affordable.

According to BSP Financial Inclusion Survey 2019, adults transacting in remittance centers consider convenience, security of money, and affordability. In the 2019 findings, the consideration of choosing a remittance channel in sending money was, convenience 84%, money is secured 51%, affordable fees 35%, reliability 28%, and no choice 8%. Consideration in choosing a remittance channel in receiving money, convenience 83%, money is secured 34%, affordable fees 33%, reliability 19%, choice of the sender 16%, and no choice 5%. Similar to the study convenience is the common reason to consider in choosing remittance and payment centers next to it are affordability.

Fees and charges in access points

Table 17: Awareness of the Fees of Remittance Center

| Remittance Center | Frequency Counts | Percentage |
|--|------------------|------------|
| Aware of the exact amount of the fees and charges | 90 | 44 |
| Aware of the fees but can only estimate the amount | 25 | 12 |
| Aware that there are fees and charges but not the amount | 90 | 44 |
| Total | 205 | 100 |

Table 17 shows the awareness of the fees of the remittance center.

In remittance centers, 44% or 90 respondents were aware of the exact amount, 12% or 25 respondents were aware but could only estimate, and 44% or 90 respondents were aware that there were fees but not the amount. No respondent was aware of the fees. Respondents who were aware of the exact amount of the fees were those who regularly got their remittances. Respondents who were aware but could only estimate the amount were not constantly transacting and different amounts were remitted every transaction. Respondents who were aware of fees but not the amount did not transact with remittance centers.

Table 18: Awareness of the Fees of Payment Center

| Payment Center | Frequency Count | Percentage |
|--|-----------------|------------|
| Aware of the exact amount of the fees and charges | 116 | 57 |
| Aware that there are fees and charges but not the amount | 89 | 43 |
| Total | 205 | 100 |

Illustrated in Table 18 is the awareness of the respondents of the fees of payment centers. Respondents aware of the exact amounts were 57% or 116 and 43% or 89 respondents were aware about the fees but not the amount. Respondents who were aware of the fees but not the amount did not transact in payment centers.

Rates from the remittance center are based on BSP financial regulations for fund transfers from banks, private remittance companies, and other remittance agents. The BSP has identified four main principles: first, enhancing transparency and competition in the remittance market, improving access to financial services, encouraging overseas Filipinos and their families to save and invest, and fourth, enhancing financial learning. The government is trying to improve the environment of overseas Filipinos for better usage of

remittances. (bsp.gov.ph) Remittances from pawnshops and remittance agents have their rates based on the regulations. Competitions from different financial institutions resulted in lower rates that benefited the users.

Table 19: Fees of Remittance Center

| Remittance Center | Frequency Counts | Percentage |
|--|------------------|------------|
| Somewhat more expensive than what I assessed | 73 | 35.60 |
| Same with what I estimate | 41 | 20 |
| Slightly cheaper than what assessed | 22 | 10.70 |
| A lot cheaper than what assessed | 1 | 0.50 |
| Can't say, No idea about the fees | 68 | 33.20 |
| Total | 205 | 100 |

Illustrated in Table 19 are the fees of the remittance center. Respondents who transact regularly were familiar with the fees collected. Charges from remittance fees are higher than banks. But still, respondents transact to these channels. This only shows that respondents transact from these channels despite the added charges. Because of convenience, they chose to transact with a remittance center. In Table 19, the respondents 35.60% or 73 of them found the fees somewhat more expensive than the assessed; 20%, or 41 respondents also noted the same with what they estimated, 10.70% or 22 respondents found it slightly cheaper than the assessed, 0.5% or 1 respondent find it a lot cheaper, and 33.20% or 68 respondents had no idea about the fees because they used another mode of fund transfer. According to the respondents, the reason why they find the fees expensive is because of the charges from international remittances that the sender pays from the country of origin, and upon claiming, there are still charges deducted from the money transferred. Respondents find the fees charged from domestic remittances slightly cheaper.

Table 20: Fees of Payment Center

| Payment Center | Frequency Counts | Percentage |
|--|------------------|------------|
| Somewhat more expensive than what I assessed | 3 | 2 |
| Same with what I estimate | 5 | 2 |
| Slightly cheaper than what assessed | 116 | 57 |
| A lot cheaper than what assessed | 2 | 1 |
| Can't say, No idea about the fees | 79 | 38 |
| Total | 205 | 100 |

Table 20 shows the respondents' assessment of the fees of payment centers, fees of payment centers were cheaper based on their experiences. Two percent or 3 respondents noted somewhat more expensive than what they assessed; 2% or 5 respondents had the same estimates, 57% or 116 respondents found the fees slightly cheaper, 1% or 2 respondents found them a lot cheaper than what they assessed, and 38% or 79 respondents had no idea about the fees. Those respondents who had no idea about the fees did not transact with payment centers. These respondents usually paid directly to the biller's office and used other modes of payment system. Fifty-seven percent or 116 noted that fees were slightly cheaper than their transportation fee if they paid at the biller's offices. Fees from payment centers have fixed charges at a minimum of 10 pesos, as compared to transportation fees this is cheaper. The users of payment centers are aware of the charged fees due to fixed charges.

On the other hand, findings show that though there were added fees, users were satisfied with the services from remittance and payment centers. Fees are used for maintenance to provide better services. According to BSP FIS 2019, awareness of fees among those transacting with access points is high, with 91% remittance agents, and 82% pawnshop.

Satisfaction on services of access points

Table 21: Satisfaction with Remittance Center

| Remittance Center | Frequency Counts | Percentage |
|-------------------|------------------|------------|
| Very Satisfied | 7 | 4 |
| Satisfied | 111 | 54 |
| Can't say | 87 | 42 |
| Total | 205 | 100 |

Table 21 shows that even though there were added fees, users were satisfied with the services of remittance centers. Results show that 4% or 7 respondents were very satisfied, 54% or 111 were satisfied, 42% or 87 couldn't say, and no respondents were not satisfied or very dissatisfied. The respondents who were satisfied

with the remittance center were loyal customers. Respondents were satisfied with the remittance center because of its accessibility, good customer relations of the staff with customers, fast services, and low fees. According to loyal respondents, they were very satisfied because of the fast services and no hassle in claiming money because of the loyalty card issued to them.

Table 22: Satisfaction with Payment Center

| Payment Center | Frequency Counts | Percentage |
|----------------|------------------|------------|
| Very Satisfied | 28 | 14 |
| Satisfied | 99 | 48 |
| Can't say | 78 | 38 |
| Total | 205 | 100 |

Table 22 illustrates the satisfaction of respondents on payment centers, 14%, or 28 were very satisfied, 48%, or 99 were satisfied, and 38%, or 78 could not say if satisfied or dissatisfied. No respondents noted any dissatisfaction with the access points; 38%, could not say if satisfied or not satisfied. These were the respondents who did not usually transact through payment centers. These respondents used other modes of payment systems like paying directly to the biller's offices. Respondents who noted satisfaction with payment centers considered the rate charged and the accessibility.

According to BSP 2019, satisfaction from access points is high, with a rating above 90%. Pawnshop 93%, with 31% very satisfied, 61% satisfied and 6% could not say. For the Bayad Center 98% with 33% very satisfied, 64% satisfied, and for the Remittance Center 98% with 40% very satisfied, 58% satisfied. The study found that satisfaction with access was crucial in the respondents' transactions with payment centers.

Furthermore, to improve the services of the access points, respondents were asked what changes have to be implemented for better service.

Table 23: Ways to Improve Remittance Center

| Remittance Center | Frequency Counts | Percentage |
|---|------------------|------------|
| Cheaper charges | 98 | 48 |
| All in one access card | 10 | 5 |
| Availability of online/electronic banking | 1 | 0.5 |
| Faster Service | 43 | 21 |
| Others | 53 | 26 |
| Total | 205 | 100 |

Table 23 shows ways to improve the services of these remittance centers. Forty-eight percent or 98 respondents noted cheaper charges; 5% or 10 noted an all-in-one access card; 0.5% or 1 noted the availability of online banking; 21% or 43 noted faster service, 26% or 53 had no suggestions on how to improve services of remittance centers. These respondents did not transact with remittance centers and were not aware of the services offered by remittance centers. Faster service and cheaper charges were two of the reasons respondents noted to improve the remittance center. The majority of users of remittance centers wanted good service at a low cost. Besides the aim of financial inclusion it is to provide accessibility and reasonable fees for financial products and services.

Table 24: Ways to Improve Payment Center

| Payment Center | Frequency Counts | Percentage |
|-------------------------|------------------|------------|
| Cheaper charges | 5 | 2 |
| All in one access point | 126 | 62 |
| Faster Service | 2 | 1 |
| Can't say | 72 | 35 |
| Total | 205 | 100 |

Table 24 illustrates the ways to improve the payment center. Table 24 points out the ways to improve payment centers. Two percent or 5 noted cheaper charges, 62% or 126 an all-in-one access card, 1% or 2 noted faster services, and 35% or 72 noted could not say or no idea. These findings will help to come up with policies to achieve financial inclusion of these channels. Also, respondents noted the preference for an all-in-one access card as it is favorable for paying bills. Since payment centers did not have all billers from private and government payments, it is one reason why most respondents had to pay directly to biller's offices.

More so, to improve the services of the remittance and payment centers, respondents were asked what problems they have encountered. Results show that 99% of the respondents noted no problems encountered. Only 1% or 3 of them experienced such as systems under maintenance, long lines of customers, and the fear of unremitted payments.

Furthermore, the respondents were asked what reasons hinder them from transacting through remittance centers. The use of online banking was noted mostly by college graduates respondents and retired senior citizens and the use of electronic money. These financial services evolved during the pandemic. It was also observed through the survey the rise of e-money usage. While the use of payment centers is also evident, almost 50% of the respondents noted that accessibility prevents them from transacting in payment centers. The access to the biller's offices was almost at the same distance which made them pay directly to avoid paying service charges. Some noted that they paid at payment centers to avoid long lines.

According to BSP 2019, issues encountered were only 37% of those who transacted with a 6% increase from 2017. Issues from ATMs, banks, and remittance centers were reported compared to other access points. Of those 37%, 84% were resolved; 16% did not resolve the issue; and 16% had no resolved issues; 10% contacted the regulator and 90% did not contact the regulator. Long lines/queues, long service time, and security of personal information were reported among the issues encountered.

The Implication of the Study to Financial Inclusion

The study promoted significant implications on access, usage, and quality of remittance and payment centers. The aim of the Bangko Sentral ng Pilipinas to achieve financial inclusion is a benefit of this study. Three of the four lenses identified in the study of financial inclusion are access, usage, and quality. These benefit the respondents the users and the Bangko Sentral ng Pilipinas on a wide range of services of these access points. It heightens the customers' trust and willingness to transact on the access points. More so, the Bangko Sentral ng Pilipinas could benefit from the study, as to the identification of the level of satisfaction of the respondents, the problems identified in choosing the remittance and payment channels, and the suggestions to improve the services of the access points.

The findings in the study have also promoted significant implications for the contribution of remittance and payment centers. There is a high percentage of providing financial services to customers. It shows that respondents used the access point based on their necessity. Though considering the fees, they still used the access points. The presence of access points in Capas is high, as well as the awareness of the respondents, as well as the usage of the financial services. With the growth of online banking and e-money accounts, the over-the-counter remittance claims and payment centers are somehow shaken but still patronized by loyal customers, still over-the-counter cash payments are still the preferred mode of payment. Remittance and payment centers are outlets for E-money funding these add to the financial services of these channels and contribute to financial inclusion. E-money will increase the account ownership of Filipinos.

The result of the study may help the remittance and payment centers to improve their services and maintain stability in the business. With the rise of other online platforms, it will be an advantage to users. The fastest access to an internet connection and a backup internet subscription of the access points also play a role in improving financial services. An alternative internet subscription to the access points is an advantage to both users and access point providers.

4. Summary

Profiles of the Respondents: The female respondents dominated the usage of remittance and payment centers which registered at an average of 74% or 152 frequency counts. The most common age group of respondents is the middle-aged group, aged 40-49 years old, 26% or 54 frequency counts, and 30-39 years old, 24% or 49 frequency counts. Most of the respondents are married 74% or 152 and married female individuals are most of the respondents. More so most of the respondents have completed high school, registered at 57% or 118 followed by 32% or 66 of those who completed college.

Access, Usage and Quality of the Remittance and Payment Centers: The general response of the respondents on access, usage, and quality of access points is high. Access to access points is segmented into awareness, accessibility, and utilization of access points.

Access: The accessibility of the respondents on the access point on the remittance center is 69% or 142 frequency counts. The overall response of the respondents on awareness of access points resulted in almost 100% and registered at 97% or 200 frequency counts on remittance centers. The accessibility of the respondents who were aware of access points is high, with 71% or 142 frequency counts on remittance centers. The utilization of the respondents who were aware of access points is 66% or 131 frequency counts on remittance centers.

The accessibility of respondents to the payment center is 45% or 93 frequency counts. The overall response of the respondents on awareness of payment centers is 65% or 133 frequency counts. The accessibility of the respondents who were aware is high, 70% or 93, and the utilization of payment centers of those aware is 71% or 95 frequency counts.

Usage: The response on the usage of remittance centers segmented through sending money at 26% or 54 and receiving money at 39% or 79 frequency counts. The overall response showed that domestic transfers in sending money and receiving money transfers are higher than in international transactions. The average amount sent is P5, 235.00, sent once a month. The average amount received is P 5,974.00, received once a month.

The response of the respondents on the usage of payment centers is high. Respondents engaged in private payment is 46% or 95 frequency counts and only 6% or 13 paid government payments through payment centers. The average amount paid through the payment center is P1,754 transacted once a month to 2-3 times a month.

Quality: The response of the respondents regarding the quality of access points is high. The main concern in choosing a remittance center is convenience 48% or 99 frequency counts; next is the senders' choice of channel 19% or 38 frequency counts and reliability 10% or 21 frequency counts. Also, convenience 24% or 50 frequency counts from the payments center. Another reason is affordability at 40% or 81 frequency counts.

Respondents were aware of the exact fees of the remittance center of 44% or 90 frequency counts, and those aware that there are fees but not the exact amount of 44% or 90 frequency counts. The response of the respondents on awareness of fees on payment centers registered with 57% or 116 frequency counts, and those who are aware but do not the exact amount of 43% or 89 frequency counts.

The respondents transacted in the remittance center found that the fees are somewhat more expensive than assessed at 35.60% or 73 frequency counts due to their awareness of the charges from the country of origin; 20% or 41 frequency counts noted the same with the estimated; 10.70% or 22 frequency counts found the fees are slightly cheaper than what they assessed. The findings of the payment center are slightly cheaper at 57% or 116 frequency counts.

The overall answer of the respondents to the services on these channels is high. Fifty-four percent or 111 were satisfied with remittance centers, and with payment centers, 48% or 99 were satisfied, and 14% or 28 were very satisfied with payment centers.

The respondents were asked about ways to improve the services and some of them noted cheaper charges at 48% or 98, faster service at 21% or 43 and with the payment center, an all-in-one access point is pointed out at 62% or 126 frequency counts.

The issues encountered at the access points are bearable with less than 1% noted long service lines which were resolved immediately and need not be reported to regulators.

Implications of the Study to Financial Inclusion

Overall, the response of the respondents on remittance and payment centers is high. The access points are accessible. The usage of the respondents is mostly once a month. The awareness, accessibility, and utilization of respondents of access points is high.

The quality of remittance and payment centers contributed to financial services. The fees are acknowledged and accepted by the customers. There is a high percentage of satisfaction with the services. These determine the financial inclusion of the remittance and payment centers is high in Capas, Tarlac.

The convenience of transacting through the remittance center gives the respondents satisfaction in continuously using the access point. Most respondents noted that the cheaper fees and the convenience made them transact with payment centers. Respondents who did not use payment centers paid directly to the biller's office. The comfort of not going to a physical bank and avoiding battling with long lines and hot weather is why the respondents did not transact with the remittance center and instead used online and digital banking and electronic money. The goal of financial inclusion was met in the study of the access, usage, and quality of remittance and payment centers in Capas, Tarlac.

5. Conclusions

As shown in the study, women are the majority of respondents, with age groups 40- to 49 years old. Most are married individuals and have completed high school.

Generally, accessibility to remittance centers is high. Awareness of the respondents in the remittance centers was recorded high, by almost 100 percent of the respondents. These concluded the prominence of remittance centers in the area. A high percentage of the respondents noted accessibility on the access point. Commonly, the accessibility of payment centers is high. Almost half of the percentage of the respondents were aware of payment centers. Likewise, almost half of the respondents had access to payment centers, and utilization of those aware of payment centers was high. Findings concluded high access to remittance and payment centers in Capas, Tarlac.

The usage of remittance centers is high in total percentage of sending and receiving money. Receiving money from outside the country is higher than sending money internationally. Domestic sending and receiving was more transacted than international transfer. The use of payment centers is high, and commonly transacted are private payments. Government payments were seldom transacted in payment centers and pawnshop money service businesses. Government payments were noted as paid through banks or salary deductions. Findings concluded high usage of remittance and payment centers in Capas, Tarlac.

The considerations of choosing a remittance center as a mode of fund transfer are convenience, choice of the senders, and reliability. The considerations of choosing payment centers as a mode of paying private payments are affordability and convenience. The respondents were aware of the fees at the remittance center since almost half of the respondents were aware and knew the exact amount. Respondents were more aware of the fees of payment centers because of the fixed charges.

More so, the respondents were satisfied with the remittance and payment center. They preferred to transact with remittance and payment centers because of convenience. These results could indicate that customers of remittance and payment centers use them according to their need for financial services regardless of the fees.

The access, usage, and quality of remittance and payment centers in Capas, Tarlac is high. The aim of financial inclusion, the access, usage, and quality of remittance and payment centers, were met in the financial products and services offered in the municipality.

References

- Acosta, P., Fajnzylber, P., & Lopez, J. H. (2007). *The impact of remittances on poverty and human capital: evidence from Latin American household surveys* (Vol.4247). World Bank Publications.
- Ambrosius, C., & Cuenca, A. (2016). Remittances and the use of formal and informal financial services. *World development*, 77, 80-98
- Atkinson, A., & Messy, F. A. (2011). *Assessing Financial literacy in 12 countries: An OECD Pilot Exercise*.
- Atkinson, A., & Messy, F. A. (2013). Promoting financial inclusion through financial education: OECD/INFE evidence, policies, and practice.
- Baffoe-Djan, J. B., & Smith, S. A. (2019). Descriptive statistics in data analysis. In *The Routledge Handbook of Research Methods in Applied Linguistics* (pp. 398-414). Routledge.
- Bech, M. L., & Hancock, J. (2020). Innovations in payments. *BIS Quarterly Review*, March.
- Beck, T., Demirgüç-Kunt, A., & Singer, D. (2013). Is small beautiful? Financial structure, size and access to finance. *World Development*, 52, 19-33.
- Beck, T. (2016, November). Financial Inclusion—Measuring progress and progress in measuring. In *This paper was written for the Fourth IMF Statistical Forum "Lifting the Small Boats: Statistics for Inclusive Growth. Cass Business School, City, University of London, CEPR, and CESifo*.

- Bo, M. T. T. (n.d.) Overview of Financial Inclusion of Women in Myanmar.
- Capas Travel Guide at Wikivoyage. (n.d.). In *Wikivoyage*. <https://en.m.wikivoyage.org/wiki/Capas>
- Chakrabarty, K. C. (2011). Financial inclusion and banks: Issues and perspectives. *RBI Bulletin*, November.
- Chandran, S. (2014). Empowering Financial Inclusion through Financial Literacy. *IOSR Journal of Business and Management (IOSR-JBM)*, 16(9), 45-48.
- Claessens, S., & Rojas-Suarez, L. (2016). Financial regulations for improving financial inclusion. *Center for Global Development*, 2(3), 44-53.
- Daliva, J. I. (2019) Saving, Spending, Investing and Borrowing Practices of Public High School Teachers.
- Defying Predictions, Remittance Flows Remain Strong During Covid-19 Crisis (2021, May 12). <https://www.worldbank.org>
- Demirgüç-Kunt, A., & Klapper, L. F. (2012). Measuring financial inclusion: The global finindex database. *World bank policy research working paper*, (6025).
- Demirgüç-Kunt, A., Klapper, L. F., & Singer, D. (2013). Financial inclusion and legal discrimination against women: evidence from developing countries. *World Bank Policy Research Working Paper*, (6416).
- Escollar, M. R. (2021). Repurchase Intentions Of Money Remittance Centers' Customers In Soccsksargen: A Structural Analysis. *Southeast Asian Journal of Multidisciplinary Studies*, 1(1).
- Fernandes, D., Lynch Jr, J. G., & Netemeyer, R. G. (2014). Financial literacy, financial education, and downstream financial behaviors. *Management Science*, 60(8), 1861-1883.
- Financial Education RBI – OECD (2011, June 28) <https://www.oecd.org>, financial-education
- Financial Inclusion in the Philippines (n.d.)
https://www.bsp.gov.ph/Media_And_Research/Financial%20Inclusion%20Dashboard/2022/FIDashboard_1Q2022.pdf
- Gross, M. B., Hogarth, J. M., & Schmeiser, M. D. (2012). Use of financial services by the unbanked and underbanked and the potential for mobile financial services adoption. *Federal Reserve Bulletin*, 98(4), 1-20.
- Hernandez, E. (2019) The Role of Cash in/Cash out in Digital Financial Inclusion.
- Honohan, P., & King, M. (2012). Cause and effect of financial access: cross-country evidence from the Finscope surveys. *Banking the world: empirical foundations of financial inclusion*, 45-84.
- ILO Global Estimates on International Migrant Workers (n. d) [wcms_808939.pdf](https://www.ilo.org/wcmsp5/groups/public/-/media/wcms_808939.pdf)
- Koh, E. T., & Owen, W. L. (2000). Descriptive research and qualitative research. In *Introduction to Nutrition and Health research* (pp. 219-248). Springer, Boston, MA.
- Kosse, A., & Vermeulen, R. (2014). Migrants' choice of remittance channel: do general payment habits play a role? *World Development*, 62, 213-227.
- Lucas, D. L. (2021) Engage Collaborate with Unbanked Filipinos for Financial Inclusion. *Business Inquirer*.
<https://business.inquirer.net/332395/engage-collaborate-with-unbanked-filipinos-for-financial-inclusion-bsp>
- Lusardi, A., & Mitchell, O. S. (2011). Financial literacy around the world: an overview. *National Bureau of Economic Research Working Paper Series*, (w17107).
- Mescallado, H. M. (2020). Internal environment of the remittance service industry in Cabanatuan City, Philippines. *International Journal of Agricultural Technology*, 16(4), 867-886.
- Migrants' Remittances from Italy, International remittances and access to financial services for migrants in Turin, Italy. A Greenback 2.0 Report (n.d.) <https://documents.worldbank.org/pt/publications/documents-reports>
- National Baseline Survey on Financial Inclusion (2015). (NBSFI) <https://www.bsp.gov.ph> >2015>. NBSFIFullReport
- ng Pilipinas, B.S. (2013). Lenses of Financial Inclusion
- ng Pilipinas, B.S. (2017). Financial Inclusion Survey
- ng Pilipinas, B.S. (2019). Financial Inclusion Survey 2019 https://www.bsp.gov.ph/Inclusive_Finance/Financial_Inclusion_Reports_and_Publications/2019/2019FISToplineReport.pdf
- ng Pilipinas, B.S. (2021) Financial Inclusion Survey
- ng Pilipinas, B.S. (2022) Financial Inclusion in the Philippines, Dashboard 2022 1Q
- ng Pilipinas, B.S. (2022) National Strategy for Financial Inclusion 2022-2028
- ng Pilipinas. B.S (n.d.) https://www.bsp.gov.ph/Media_And_Research/Publications/EN09.pdf
- Ngulube, P. (2015). Qualitative data analysis and interpretation: systematic search for meaning. *Addressing research challenges: making headway for developing researchers*, 131, 156.
- Open A Micro Saving Account (n.d) <https://www.cebuanalhullier.com/micro-savings/>
- Operana, B. (2016). Financial Inclusion and Financial Stability in the Philippines. *Published Masters Dissertation. Graduate School of Public Policy (GraSPP). The University.*
- Orozco, M. (2010). Worker remittances in an international scope.

- Over P6.8 billion in cash aid distributed via Pawnshop in 2020: BSP (2021, April 21). [abs-cbn.com. https://news.abs-cbn.com/business/04/21/21/pawnshop-cash-aid-p68-billion-bsp](https://news.abs-cbn.com/business/04/21/21/pawnshop-cash-aid-p68-billion-bsp)
- Pawnshops play key role during pandemic, says Bangko Sentral. (2020, August 27). ABS-CBN News. <https://news.abs-cbn.com>
- Ratha, D. (2007). Leveraging remittances for development. *Policy Brief*, 3(11), 1-16.
- Remittances Data Portal (2023, August 2). <https://www.migrationdataportal.org/themes/remittances>
- Remittances Remain Resilient but Likely to Slow (2023, June 13) <https://www.worldbank.org/en/news/press-release/2023/06/13/remittances-remain-resilient-likely-to-slow>
- Reyes, C. M., Tabuga, A. D., Mina, C. D., & Asis, R. D. (2013). *Promoting inclusive growth through the 4Ps*. Philippine Institute for Development Studies.
- Rich, B. (2018). Microfinance in the Philippines: A Tool for Economic Development, or Perpetual Debt? Evidence of its success and challenges in the province. *International Journal of Economics, Business and Management Research*, 2(01).
- Rizal Commercial Banking Corporations Diskartech App Emerges as Filipinos Preferred Disbursement Platform (n. d) <https://fintechnews.ph/45149/fintech/rcbs-diskartech-app-emerges-as-filipinos-preferred-disbursement-platform/>
- Rizal Commercial Banking Corporations- Diskartech (n.d) <https://iorbitnews.com/rcbs-diskartech-partners-with-deped-for-grassroots-fined-program/>
- Salaria, N. (2012). Meaning of the term descriptive survey research method. *International journal of transformations in business management*, 1(6), 1-7.
- Sanglaan; (2019) CPPi-Official Newsletter. The Atorni's Portfolio & His Case for the Pawnshop Business
- Sarna, A. (2013). *Pawnshop Clientele: An Econometric Approach to Explaining a Segment of Unbanked and Underbanked Households in the United States* (Doctoral dissertation, Georgetown University).
- Shen, Y., Hu, W., & Hueng, C. J. (2018). The effects of financial literacy, digital financial product usage and internet usage on financial inclusion in China. In *MATEC Web of Conferences* (Vol. 228, p. 05012). EDP Sciences.
- The Inward Remittance and Outward Remittance (n. d) <https://imeremit.com.np/blog/what-is-remittance>
- Torrente, M. F. V. (2015). *The Unbankables: Assessing financial literacy and financial behavior of BPI Globe BankO customers* (Doctoral dissertation, De La Salle University Manila).
- Varghese, G., & Viswanathan, L. (2018). Financial inclusion: opportunities, issues, and challenges. *Theoretical Economics Letters*, 8(11), 1935-1942.
- Virak, K., & Bilan, Y. (2022). The role of formal and informal remittances as the determinants of formal and informal financial services. *Equilibrium. Quarterly Journal of Economics and Economic Policy*.
- What is Remittance (n. d.) <https://www.business-standard.com/about/what-is-remittance>
- Zottel, S.; Zia, B.; Houry, F. (2016). Enhancing Financial Capability and Inclusion in Senegal: A Demand-Side Survey. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/24675> License: CC BY 3.0 IGO

Conflicts of Interest: The authors declare no conflict of interest.

ACKNOWLEDGMENTS


The accomplishment of the study has been possible with the supervision and assistance of respective individuals. First, I am extending my appreciation to my encouraging thesis adviser, **Dr. Jhonel C. Panlilio**, who diligently furnished incisive recommendations and guidance from the commencement of this study till its conclusion. Her orchestration led me to attain this endeavor and extract all my effort to accommodate this constructively.

Gratefulness is being dedicated profoundly to my panelists, to the chairman of the committee, **Dr. Derick S. Figueroa**, and members, **Dr. Elizabeth A. Amurao**, **Dr. Rowena C. Ramos**, and **Dr. Henry D. Rufino**, were their beneficial observation, remarks, and advice which does amplify my comprehension to refine this study. Yet again, my sincere gratitude for conveying your knowledge and valuable time during consultations that have paid to the completion of this paper and equipped me with the appropriate faculty.

A heartfelt appreciation to my husband for his support and encouragement. To my parents, siblings, nephews, and college and high school friends. I am also grateful to my classmates and friends at Tarlac State University.

To the Almighty God for providing me with the strength, wisdom, knowledge, and faith that steered me in this journey.

APPENDIX

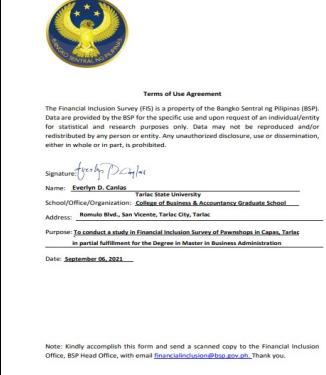


CERTIFICATE OF COMPLIANCE
URO-TC-23-463
This is to certify that the research details below have been evaluated by online anti-plagiarism software. The contents and material were found satisfactory and within the permissible limit of content copied.
NAME OF AUTHOR(S): **Everlyn D. Canlas**
SUBMISSION ID: 2606347206560
COLLEGE/AGENCY: COLLEGE OF BUSINESS AND ACCOUNTANCY
TITLE OF THE PROJECT:
ACCESS, USAGE, AND QUALITY OF REMITTANCE AND PAYMENT CENTERS IN CAPAS, TARLAC
RESULTS:

| SUBMISSION | SIMILARITY INDEX | AI INDEX |
|------------|------------------|----------|
| 1st | 12% | -- |
| 2nd | | |
| 3rd | | |

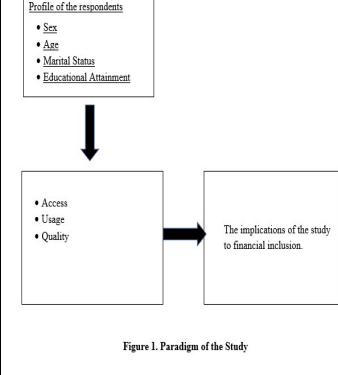
CERTIFIED BY:
DR. ROBERT V. MARCOS
11/23/2023
San

Form No. TSI-ORD-SF-03 Revision No. 02 Effectivity Date: September 12, 2023 Page 1 of 1



Terms of Use Agreement
The Financial Inclusion Survey (FIS) is a property of the Bangko Sentral ng Pilipinas (BSP). Data are provided by the BSP for the specific use and upon request of an individual/entity for statistical and research purposes only. Data may not be reproduced and/or redistributed by any person or entity. Any unauthorized disclosure, use or dissemination, either in whole or in part, is prohibited.
Signature: *Everlyn D. Canlas*
Name: **Everlyn D. Canlas**
Tarlac State University
School/Office/Organization: **College of Business & Accountancy Graduate School**
Address: **Remulo Blvd., San Vicente, Tarlac City, Tarlac**
Purpose: **To conduct a study in Financial Inclusion Survey of Pawnshops in Capas, Tarlac in partial fulfillment for the Degree in Master in Business Administration**
Date: **September 06, 2023**

Note: Kindly accomplish this form and send a scanned copy to the Financial Inclusion Office, BSP Head Office, with email FinancialInclusion@bsp.gov.ph. Thank you.



Profile of the respondents

- Sex
- Age
- Marital Status
- Educational Attainment

↓

- Access
- Usage
- Quality

→ The implications of the study to financial inclusion.

Figure 1. Paradigm of the Study



The Author

Everlyn Dantes Canlas has been in the pawnshop industry for two decades. She finished her Bachelor of Science in Accountancy at the College of the Holy Spirit Mendiola Manila in March 1998. Her career started at Asia Brewery Incorporated, Ayala Avenue, Makati City, from 1999 to 2002 as a corporate accounting staff. Put up the family business, Dantes Pawnshop, in 2002 and took up jewelry appraisal and pawnshop operation training at the Technology and Livelihood Resource Center, Pasig City, in 2001. Attended seminars on Briefing on Pawnshop Regulations, Bangko Sentral ng Pilipinas, 2001 and 2018. The Anti-Money Laundering Act (AMLA) Seminar, Bangko Sentral ng Pilipinas, 2010 and 2018. Certificate of Participation on Anti-Money Laundering and Counter-Terrorism Financing Fundamentals 2022.

As a proprietress, she is directly in charge of every detail of the business operation. Her responsibilities as a pawnshop operator were dealing with clients and determining the appraised value of the items. In charge of the paperwork, record keeping, ledgers, and journals, financial statement preparation. Filling of tax returns, government contributions, BIR Registrations, DTI, BSP Renewals, and other necessary documents.

Furthermore, in upgrading her skills, she attended training, tax updates, and financial statement preparation. Participation in Tax Update and Financial Statements at Philippine School of Taxation and Research Inc., 2022, Certificate of Participation in Tax Preparer, 2021. Certificate of Attendance for Bookkeepers, 2021. Certificate of Completion on Entrepreneurship, 2021. Certificate of Participation on Bangko Sentral ng Pilipinas Financial Education Expo 2022 and 2023. Master in Business Administration at Tarlac State University, Tarlac City, 2023.