

**RESIDENTIAL CONSUMERS' ELECTRIC BILL
PAYMENT TIME BEHAVIOR**

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ABSTRACT

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The need to understand why consumers pay late or on-time is critical to the financial strength of electric utilities (like Meralco) who may be spending for collection tools that may even be working against their interest (like uncalled-for disconnection). Understanding is also critical to the well-being of the consumers as they carry the brunt of the collection tools. But understanding requires the identification of factors influencing late (and also on-time) payment behavior; hence, this study.

In identifying the said factors, the theory of planned behavior was used. Following this theory, these payment time behavior were found to depend on three factors, namely: (a) attitude, (b) subjective norm, and (c) perceived behavioral control over the payment of electric bill. Each factor was evaluated using its own set of related beliefs.

Derived from consultation with the experts, the seven attitude-related beliefs are concern over finance/budget, time and effort (in transacting payment), karma beliefs, self-esteem, Meralco's financial well being, and the threat of disconnection. The one subjective norm-related belief is the influence of other people. And the four control-related beliefs are about the sufficiency and control over the four resources

needed to perform the behavioral namely, income, time, physical and mental strength.

This descriptive research gathered responses from 401 people at nine different bill payment centers – six Meralco offices, two ‘bayad center’ outlets, and a bank. These payment centers are dispersed in the seven municipalities and one city in the province of Cavite.

Questionnaire-guided direct interviews, point-biserial correlation, and binary logistic regression indicated that payment time behavior is influenced by attitude and the perceived behavioral control. These payment time behavior were further found to be affected by (a) the concern over finance/budget, the time and effort in transacting the payment, influence of threat of disconnection, and (b) the perceived behavioral control over money, time, physical and mental strength.

With these findings, this paper recommended the adoption of billing schemes which take into consideration the consumers’ capacity to pay. Examples of these are income-based billing and bimonthly billing. This paper also advocates prepaid metering, the levying of late payment surcharge, and the development of a social action plan to assist especially the economically depressed consumers in the payment of their electric bills. If implemented, these recommendations make electric bill payment more timely and easier for the consumers and least costly for electric utilities.

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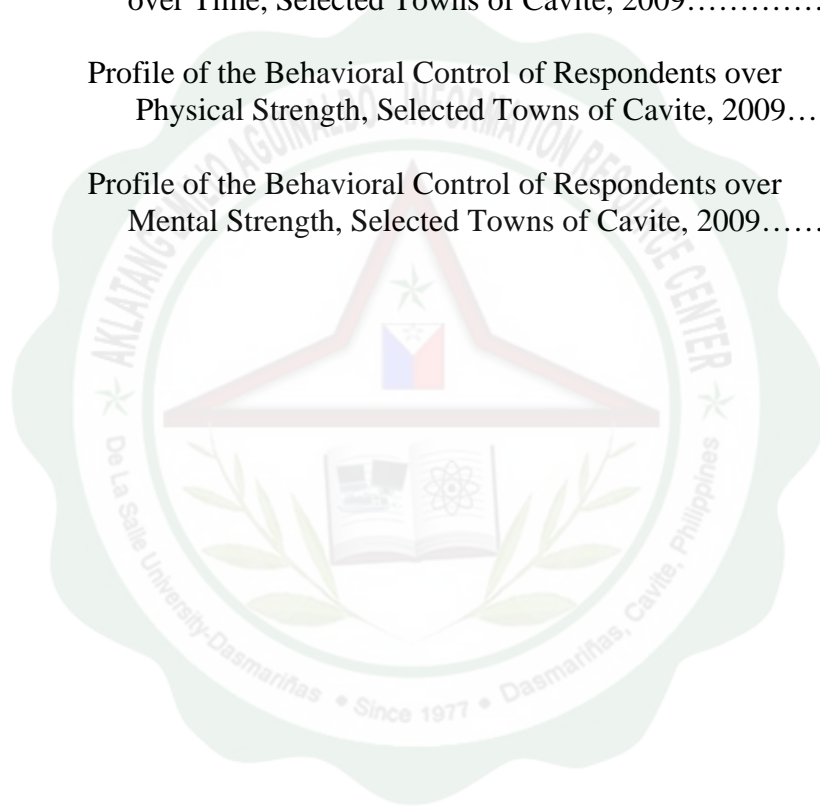
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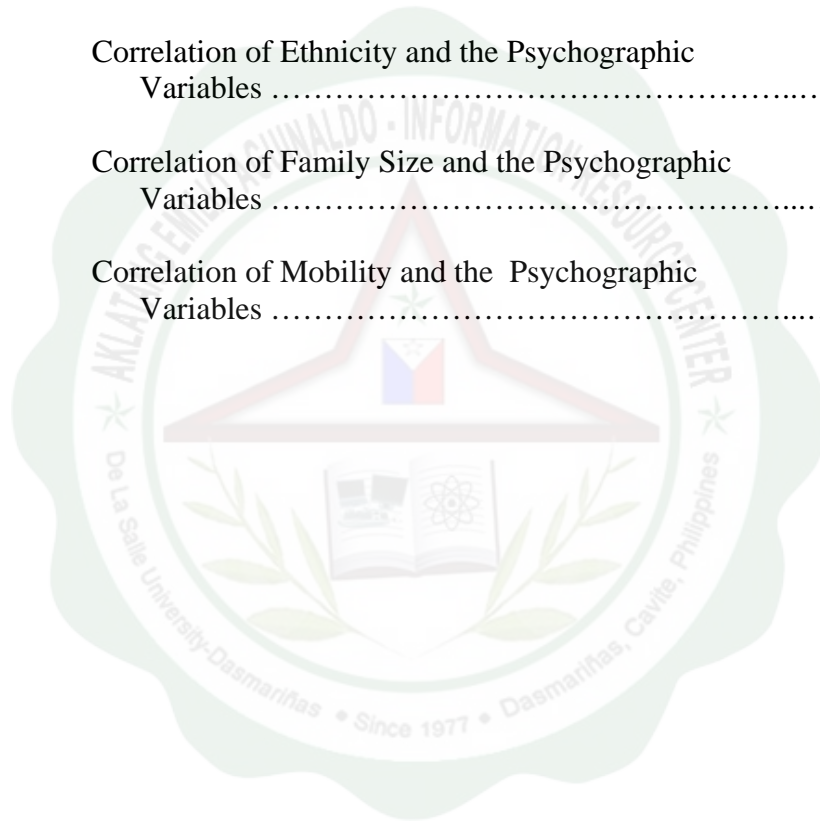
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