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Table of contents

Dhirendra Koirala, UNIKL, Malaysia

Topic: Time Series Analysis of the Foreign Direct Investment in Nepal; Economic Perspective

Kapil Dev Pokhrel, Tribhuvan University, Nepal

Topic: Neo-liberalism: cause of new class formation in Nepali Society

Mehtab Alam, University of Cyberjaya, Malaysia

Topic: Integrated Management for Image Branding; A Prospective Outlook from Abbottabad as a Tourism Destination Valley of Pakistan

Dr Kaveh Jamali, Multimedia University, Malaysia

Topic: Factors Influencing Generation Y's Online Purchase Intention on Apparel in Malaysia

Prof. Ahmed Tahsin Shams, University of Notre Dame, USA

Topic: An Inductive Study of Pop Culture Versus Visual Art: Redefined from the Lens of Censorship in Bangladesh

Dr Behrooz Gharlegghi, Arden University, Germany

Topic: Green finance and sustainable development

Dr Saeedeh Anvari, Farmingdale State College, USA

Topic: An integrated framework based on triple bottom line accounting and stakeholders' perspective to promote sustainable facility location and route allocation network decisions

Dr Agnieszka Wójcik-Czerniawska, Warsaw School of Economics, Poland

Topic: Management in Non-Bank Financial Services: Threat or Future

**Time Series Analysis of the Foreign Direct Investment in Nepal; Economics
Perspective**

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Abstract

The main aim of this paper is to identify the major economic determinants of foreign direct investment in Nepal. In doing so, the Johansen-Juselius (JJ) cointegration approach as well as vectorerror correction model are implemented to identify the relationship among the macro variables. The empirical results revealed that all the variables are stationary at first difference and the evidence of cointegrating vector is obvious based on the JJ cointegration results. In addition, it is found that there is a long run relationship among the variables based on the coefficient of Error Correction Term (ECT). The long run coefficients show that Trade, GDP, exchange rate, and interest rate have a positive impact on FDI in Nepal, while gross fixed capital formation (GFCF) and inflation (CPI) have a negative impact. Finally, in the short run, only one lag of FDI is affecting FDI. These results suggest that the inward FDI tends to incorporate information from the macroeconomic variables.

Keywords: FDI, Nepal, VECM

Neoliberalism: Cause of New Class Formation in Nepali Society

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Abstract

Nepal is experiencing changes in socio-economic characteristic within the couple of decades. Neo-liberal economic policy was adopted after 1990 which has impinged in many aspects of Nepali society. This article explicates the consequences of political economic practices of **neo-liberalism** and **globalization**, which has changed the different variables of social structure of the society with the changes of socio-economic characteristics with the **mode of production**. It has to be analyzed critically and explicate the consequences of neo-liberalism and globalization that has to assess the extent of change through the anthropological perspective.

The article is based on an ethnographic study from the urbanizing society of multicultural and diversified society located in the inner-Tarai of southern mid-Nepal where indigenous groups as well as the ethnicities of inland migrants have been residing since time unmemorable. This paper is prepared evaluating of the period of before and after the implementation of neo-liberalism based on the qualitative primary data taken myself. I have analyzed how landholding system and pattern of **landownership** is changing; how most of the work forces have changed their occupation from traditional to non-traditional; how class structure is changing from peasant to labor; how mode of production is changing from the feudalistic to capitalistic; and what are the driving factors of change in the peasant societies.

As a conclusion, due to the socio-economic practices of neo-liberalism and globalization not only the serfs but also the independent peasants have become **proletariat** in the view of single system of global economy though they seem like the middle class in the domestic context.

Keywords: Neo-liberalism, globalization, mode of production, landownership, proletariat.

1. Introduction

Nepal is experiencing rapid changes in its socioeconomic characteristic in the last seven or eight decades. There have been raising political movements and facing counter-revolutionary activities in parallel way. The last uprising has become viable and ended with revolutionary

changes. Those uprising has brought great revolutionary changes in political sphere and it has concealed by economic changes.

Nepali society has been shifting one step forward; its feudal characteristics has terminated, basically, and capitalism is inflowing and growing. It is supposed that the juridico-political superstructure i.e., "the legal and political system, which orders and regulates society, usually in the direct interests of the social groups that are economically dominant" (Wilk, 1996, p. 86) being changed due to the gradual socio-political movements of seven decades, though the ideological superstructure i.e., "system of ideas, including religion, philosophy, and cosmology, that rationalizes and explains the economic system and convinces both the haves and the have-nots that the way the society works in 'natural" (p. 86) is not changed. It can be seen that the elected representatives from the people have attained to the top of the government in place of feudal monarchy and feudalist ruler.

Capitalism was penetrated at least two hundred years before, not only in the capital city but even the countryside of Nepal (Mikesell, 1999; Liechty, 2010,; Mishra, 2007, p. 12). Though, it's characteristics can be understood as the mercantile capitalism. However, it is debatable whether "mercantilism itself is the characteristics of capitalism?". Here, we know that comprador bourgeoisie are those who "closely tied with world and regional capitalism" (Mishra, 2007, p. 106) as its characteristic, mercantilism hinders the indigenous capitalism or hinders the capital formation. However, there was "India- China trade across Nepal and Tibet which had been going on for more than a millennium" (Frank, 1998, p. 89).

Since 1930s, when the world capitalism was facing a great depression, capitalism penetrated Nepal, whence started the establishment of some industries like Biratnagar Jute-Mill, Raghupati Jute-Mill, The Juddha Match Factory in 1930s and a bank (Nepal Bank Ltd) had also established in 1937. Since then, capitalism has been emerging gradually in place of feudalism. Though capitalism was penetrated at least 250 years ago, for example Mikesell, 1999; Liechty, 2010; Mishra, 2007. Capitalization, "further increased since the 1950s and expanded and intensified since the 1980s" (Mishra, 2007, p. 12).

Neo-liberalism was introduced in the economic policy during the last half of 1980s however, Nepal was facing absolute monarchy and closed economy. After the political uprising of 1990, Nepal government adapted neo-liberalism as state's economic policy, however, neo-liberalism is "a theory of political economic practices rather than a 'complete' political ideology" (Harvey,

2005; Hoffman, DeHart, & Collier, 2006). For the implementation of key values of neoliberalism like, "primacy of the individual; options and freedoms for choice; market security; minimal government; and laissez faire economic policy" (Putnam, 2010, p. 5, C.f. Larner 2000) the "World Bank structural adjustment program" was implemented with the tools of "IMF stabilization loan" that have been utilized even in Nepal for making market-led development mostly initial stage of neo-liberalization in the state. Once the neoliberalism implemented, favors a more efficient private sector and less the government role in delivering public goods and services to the public. On the issue of the policy recommendations of neo-liberalism, those are "concerned mainly with dismantling what remains of the regulationist welfare state" (P. 34). Though, "Nepal has seen a wide range of development theories and flavors articulate with its local historical geographies and since the advent of democratic consciousness in the 1980s (... 1990 in particular) has seen various neo-liberalisms at work" (Putnam, 2010, p. 8).

On the other side, globalization to be understood "as part of the experience of neo-liberal capitalist modernity in which global cultural, political, and economic forces intersect with the powerful realities of local histories, cultural sensibilities, and social projects" (Liechty, 2010, p. 23). As a result of the interaction between the neoliberal capitalist modernity and historical process, culture, and social projects, social structure especially class structure might have changed with the changes of socio-economic change which has to be studied.

Whether, neoliberalism calls for free movement of "goods, services, capital, and money across national boundaries" (Pokhrel, 2018, p. 31, C.f. Kotz, 2000) and contemporary globalization is taken as the flow of "trade, finance, culture, ideas, and people" (Lewellen, 2002, p. 7), then those variables might have changed in various components of the society. Thus, this article explicates the consequences of the neoliberal globalized capitalism vis-à-vis class and culture. Specifically, it focuses on:

- (i) how the socio-economic characteristics of the society is changing with the changes of post- 1990 economy?
- (ii) how the people alienating from their means of production? and how is the class forming in the context of socio-economic practices of neo-liberalism?

2. Objective of the Study

The general objective of the study is to critically analyze and explicate the changing process of the socio-economic characteristics and class formation of Nepali society in the context of implementation of the neo-liberalism. However, the specific objectives of the study are as follows:

- (i) to analyze the socio-economic characteristics of society as it was before and after 1990, and
- (ii) to analyze consequences of neo-liberalism and class formation process in urbanizing society.

3. Methodology

Research design identifies as "the strategic plan of the project that sets out the broad structure of the research" (Brewer, 2005, p. 57). As neoliberalism was implemented after the 1990s, recently after the establishment of multiparty democracy in Nepal which supposed to influenced to the semi-urban and urbanizing society, like: Ratnanagar in Chitwan, thus the study bears the descriptive research design as it covers the study of two different period-as it was before the period of 1990 and after the implementation of neo-liberalism (the present day).

However, my research asks two types (historical and present) data to fulfill my research objective, I asked historical data from the informants. Something other, I created those data into historical period however it was asked for the historical state and simultaneously. I have applied subjectivism as the way of collection of factual data. From the informants, I obtained subjective knowledge from the objective reality embedded in the society. I have applied purposive sampling method to select participants as the informants from the selected sites. Thus, it has been based on ethnographic approach method to collect the data.

During my MPhil dissertation I had taken an ethnographic data in 2017 which I have engross for this article. For this, I had taken five numbers of informants: two of them were from Brahman and other three from Tharu; they were 55 to 80 years in their age; one my informant was from formerly landlords' family, two were wage worker (tenant farmer) and other two were from the independent peasants; all of them have more or less experience of receiving remittance. This data was taken from three different villages from Ratnanagar municipality of southern mid-Nepal which is the urbanizing society.

In this way, the article is based on the qualitative primary data collected by myself in 2017 during the MPhil research in Tribhuvan University, however I have utilized some secondary data especially produced by Central Bureau of Statistics (CBS) and other institutions, as well.

4. Study Locale

When I first visited Chitwan, I saw, people working on the land most of the time. The villagers had couple of oxen power to till their lands. Most of the young men used to plough their land themselves or some of them were ploughing at the landlord's land either as the wage worker or the tenant farmer. Women used to work either in the field or indoor job. In summer season peasants used to plough and herding their oxen to the field or the jungle nearby. I had seen, ox-carts were carrying various materials especially, Agri-produces either from the land to home or from home to market place. Now we neither see oxen power nor cart in the villages.

In the market place, in Tandi bazar, there were some groceries, cloth stores, utensil stores, and a few numbers of other shops like watch and radio. There were one or two very small groceries in villages where they used to sell biscuit, confectionary, matches, cigarette, tobacco, salt and kerosene. In Tandi bazar there was only one bank (Nepal Bank Ltd) where a few persons used to do their transaction of money, some of the villagers used to drop their ornament (gold) and landownership certificate as security and get a certain amount of money as loan. There were some lenders who used to lend money to the villagers instead they used to take paddy (grain) as interest. During the harvesting they used to collect paddy as the interest of the year.

During 40 years, characteristics of the society have been changed; the villages are urbanizing with various facilities. The profession, occupation, working culture and ultimately the social structure has dramatically changed in 30-40 years in Nepali society. So, I choose Ratnanagar as I have seen its various characteristics for 40 years. And it is notable that Chitwan is the valley which was developed about 65 years ago. After the "Rapti Valley Multipurpose Development Agreement", between Nepal and the USA in April 1956, the government implemented Rapti Dun Bikas Pariyojana (Rapti Valley Development Project) in 1956, then it had started cutting trees and leveling the land, and eradicated malaria then hill people migrated to Chitwan district where limited number of indigenous groups, like: "Tharu, Danuwar, Bote, Majhi" (Subedi, 2021, p. 701) including Darai and Kumal were inhabited since the centuries.

Ratnanagar was declared a municipality in February 1998 in which two Villages (Bachhauli and Pithuwa VDC¹s) were added during the state restructuring after the declaration of new constitution when total population was 68951. Now, preliminary result of 2021 shows that the population of Ratnanagar municipality is counted 90978 where 44120 male and 46858 females reside in 19901 households with 22670 families (CBS, 2022). In Ratnanagar, people of different caste and ethnicities, like: Brahman, Kshetry, Tharu, Tamang, Newar, Magar, Sanyasi, Gurung, Darai, Kumal, Kami, Damai, Sarki, Majhi and Chepang comprise other ethnic groups are residing. As per Census report 2011, Brahman population occupies the largest section of people with 33.10 percent whereas Tharu people occupies with 17.69 percent which is almost a half of Brahman but it is the second largest number. Kshetry also occupies the third number with 12.44 percent then Dalits (Kami, Damai, Sarki- occupies 6.73%), Tamang (6.71%), Newar (6.43%), Magar (2.89%), Gurung (2.86%), Darai (1.26%), Kumal (1.18%) and Dashnami (1.06%) comprise many other ethnic groups. From the above-mentioned data Ratnanagar can be introduced as the multicultural society (Pokhrel, 2018, p. 57).

Thus, the ethnographic study is based within the site of Ratnanagar municipality in Chitwan district of southern mid-Nepal. Chitwan is located between the Mahabharat and Chure hill with the larger national park (Chitwan National Park) inhabitant of different wild animals and birds. Due to this reason many tourists have been visiting Chitwan; so, it is the third popular touristic hub of Nepal. Most of the touristic hotels are located in Sauraha which lies in Ratnanagar municipality. In the middle part of Ratnanagar there is a second largest and one of the oldest cities of Chitwan which is known as Tandibazar.

Now, there are dozens of branches of banks and financial institutions in Tandibazar which remained only one before 1990. Those branches of BFI²s flow money around and surrounding of the municipality area. There are more than 150 hotels, dozens of restaurants, pubs and shops in Sauraha. Number of hotels and restaurants, trade houses and shops and other business activities have been conducting in this municipality. Those business activities have been produced money which flows in the villages through the wages of labor power and other. On the one side, due to be the touristic hub, the community forests also collect revenue, and on the other side about 33 percent of the area of Ratnanagar has declared as the bufferzone of the national park which gets a certain portion of amount from the income of national park. These

¹ VDC= Village Development Committee (Rural administrative Unit of Nepal before the state restructuring)

² BFI= Bank and Financial Institutions

are the agencies for funding for local development except the governmental grants to the municipality.

5. Discussion and Result

5.1 Socio-economy of Society before 1990: Characteristic of Feudalism

This section draws the brief accounts of changing characteristics of society as it is shifting from feudalism to capitalist mode of production.

It is notable that, mode of production is an aggregate of two each component of the base and superstructure of the society. Within the base there exist forces of production (labor with tools, technologies and the skills) and relations of production (relations between workers and ownership on the production); similarly, within the superstructure, there exist juridical-political superstructure and the ideological superstructures. Thus, it represents the relation between forces of production and ownership on it. Briefly, "the mode of production in material life determines the general characteristics of the social, political, and spiritual processes of life (Wilk, 1996, p. 85, C.f. Marx 1904, p. 11). Thus, mode production is not only the modality of production and distribution but it is a set of the socio-economy and culture as a whole.

Landlord and Peasants in Feudal Society

There were some feudal landlords also in Ratnanagar, though landlordism was already abolished through the "Land reform policy" in 1964. During the landlordism, peasants/serf had no right on the land, it was under the dual ownership: to the landlord, and the serf. They had some *Haruwa*³-*charuwa*⁴ for their help in their domestic works. At that time, not only the landlords but also rich or middle peasants had couple of *Haruwa* and *Charuwa* for serving them. They used to collect land-tax as an agent of the government until 1964. Here, many writers describe that Nepali society was under the semi-feudal modes of production during 1970s and 80s, for example: Blaikie, Cameron, & Seddon, 2014, p. 236; Mishra, 2007; Mishra & Sharma, 2007.

There was no property right to the peasants, especially, the tenant farmers; the land could be handed over by the feudal landlords of the *Mauja*⁵ from one person to another. In European

³ *Haruwa* = wage labor who used to plough; servant.

⁴ *Charuwa* = wage labor who used to work as cattle herding, servant.

⁵ *Mauja*= village/locale

society, however, Marx saw, "the serf belongs to the land and turns over to the owner of the land the fruits thereof" (Tucker, 1978, p. 205). In Nepali peasantry, there was not security of tenants before 1964 until the Land Act 2021 BS was not implemented. One of my informant's lands was also handed-over to another tenant by the local landlord. Due to that reason his family became landless and went to be *Haruwa-Charuwa*. The Lands Act- 1964, emphasized security for tenant farmers and put a ceiling on landholdings (NLC, 1964).

Among the indigenous people, there was not any class hierarchy for marriage. The landlord used to let their daughter marry with a servant and bring their daughter, too. Son-in-law to their household was usual among the indigenous community however, one of my informants reminds stating landlords' word, a "Tharu" landlord of Narkatiya village offered him as servant saying "you are always remaining as a servant wherever you go; So, come to be my servant; instead, I will give my daughter's hand to your son". It was usual that the landlords used to provide their girl's hand to the servant as they seek for workers where they had no any restriction to marry with upper- and lower-class family. But the cases did not match to Brahman-Kshetry community. These cases are closely concerned to working manpower. They had scarcity of working of manpower as per the amount of land holding. They used to occupy a large area of land so that they had to have number of working manpower. If they take own son-in-law as "Haruwa" then they could be permanent.

Wages of male and female were vast differences, too. A Haruwa (male servant) used to get 200 kg paddy but a female servant got 100 kg per year. They used to buy clothes themselves, feed their children and nurturing them from that amount of paddy.

Cash- Kind Wages:

Two among three of my informants were the serf (i.e. Laborer) before 1985 or 1990. They used to get paddy not money for the wages of their labor power, in villages. Mode of payment was good before 1990 however they (worker) needed to take grain as they instantly prepare food if they had taken cash, they used to go to somewhere for buying food; on the other side, the landlord also wanted to pay the wages through grain otherwise they had to sell their grain to the market place. The flow of money was not sufficient too. At that time, the landlords used to use their food-grain for their expenses as the market economy was not formed, thus it can be taken a sign of feudalistic society.

Here, general typology of economic system which Polanyi (1957) proposes for pre-capitalist mode of production as Godelier (1977) cites are three types: economies regulated by mechanisms of 'reciprocity' which depends on kinship relations or other institutions, is characteristic of primarily classless societies; economies regulated by mechanisms of 'redistribution' where goods being received from the units of local production in the form of tribute or other prestation, which can be found in many societies characterized by rank, caste or class, subject to some sort of chiefship or state; and economies 'integrated' by functioning of an institution 'disembodied' from social, political, religious or kinship relations – 'the market' (Godelier, p. 21, c.f. Polanyi). From this view point, Nepali society before 1990 was pre-capitalist as its dominant characteristics was chiefship, caste hierarchy as well as class differentiation.

Source of Revenue:

Land tax was the major source of revenue before 1990, i. e., total estimated budget of Nepal in 1951 was NPR 305 Lakhs of which 94 lakhs was from land revenue, 30 lakhs from forest resources, 73 lakhs from customs and 9 lakhs from contract and 99 lakhs from miscellaneous. Revenue from the land and forest increased in the second and the third budget. It was 123 lakhs from land revenue and 32 lakhs from forest products in 1952/53 and 131 lakhs from land revenue and 29 lakhs from forest products in 1953/54 respectively (Pant, 1956, p. 468). Actually, the land reform policy was held in 1964 whence the land tax was the major source of income of the government, it was the dominant source of revenue before 1990. But now, the tax has not been counted as the income of the federal government for the decades. Thus, declining their status, the feudal landlord has become a rich peasant in course of time. And the second major source of revenue was the forest products though forest product used to sell to the India government, it should be the higher amount as equal to the land revenue.

"Partly Due to lack of proper knowledge of the existing forest resources and partly to the anachronistic feudal system of land tenure, especially the Birta System in various parts of the country which recognizes the individual ownership of forest resources" (Pant, 1956, p. 468). It is clear that one of the reasons of the meager yield from the forest was due to anachronistic feudal system of land tenure (*ibid*).

Feudalism depends on land revenue and traditional agro-product in GDP⁶ mapping. In 1974, 70 percent of GDP was measured from the agriculture sector which had been in diminishing order; it had declined to 50 percent in 1984/85 (Pokhrel, 2014, p. 2) when the socio-economic system of neo-liberalism had yet to be influenced in Nepal. Now, total contribution of agriculture in GDP is 32 percent in 2019, while service sector and other sectors except agriculture have been increasing (CBS, 2019).

From the GDP perspective, 'the contribution of the agriculture sector to the GDP has declined from 61 percent in 1981 to 31 percent in 2011, while the contribution of the service sector has increased from 27 percent to 48 percent during this period' and contribution of service sector in GDP is increased by 21 percent in 30 years (CBS, 2014, p. f). There can be many causes for decreasing GDP to 30 percent during the 30 years of span. One of the major reasons of decrease agriculture's contribution to the GDP is that the working population being absent in this sector. It means, population of Nepal is shifting their occupation rapidly. This, obviously show that the Nepali society is shifting from agrarian to the capitalist society. However, Nepali agriculture has been taking as traditional, then the characteristics of society during 1980^s was a pre-capitalist as per the measurement of GDP, in terms of source of revenue.

Shifting the Occupation:

Nepali serf became liberated when they used to choose different job either handicraftsman or tertiary worker then they became free from the feudal lord or rich peasants though they have been being depend on wages from world capitalist society.

How could the bonded labor and serfs become independent? In my case, when their descendants initially choose another job (either meson or carpenter or anything else other than serf) and later worked as a migrant worker and sends some remittance to their home then their family became independent from the landlord or rich peasants. Engels's argument was that:

The serf liberates himself in one of three ways: either he runs away to the city and there becomes a handicraftsman; or, instead of products and services, he gives money to his lord and thereby becomes a free tenant; or he overthrows his feudal lord and himself becomes a property

⁶ GDP= Gross Domestic Production

owner. In short, by one route or another, he gets into the owning class and enters into competition (Engels, 1947, p. 7).

Nepali serfs (peasants) shifted their occupation either become meson, or carpenter or plumber or other and mostly went abroad for employment. In this way, they become independent from the landlords but become labor power to the international bourgeoisie. Actually, they do not independent, yet.

Hence, in terms of landholding system, in terms of labor power, in terms of uses of goods as the means of exchange the society was remaining on feudalistic or semi-feudal characteristics; or the mode of production of Nepali society was feudal. And, if we put the general characteristics of feudalism in the standard of the theory of the mode of production within the historical materialist method, the feudal regime is not only declining but also deposed, now.

5.2 Neo-liberal capitalism: Producing New Social Class

"Social class" can be understood as a group of people who occupy a common position in the production system and that is the historical phenomena which had originated historically and coincides with the state. In this section, I discuss in some issues and depict findings based on my data. Then, this section draws some instances "how the new social classes have been forming in Nepali society" as the society is interconnected into international capitalism. From the cases, the characteristics of present Nepali society can be known as capitalist as it has crossed the stage of the feudalistic mode of production.

After the people's movement of 1990, multi-party democracy was established. Then, neo-liberal policy was also implemented the state policy though it had already introduced in Nepal's financial policy.

Implication of Neo-liberalism:

Neo-liberalism can be understood as an ideology of current globalized capitalism which has guided the social, political, economic, and cultural life of men. It is an ideology of current globalized capitalism which has become as like as the "development mantra" (Uprety, 2021) of the state affairs as well as international relations. Thus, neo-liberalism is a latest theory of socio-economic policy and practices that preserves and provokes individual freedom, limited government, and globalization within the current world system (Pokhrel, 2018, p. 36).

Neo-liberalism was implemented like the "guideline principle" after 1990 though it had already been introduced in financial sector. There were mainly three banks (two commercial and one development) in Nepal before 1980. Among them one of the commercial banks had the full-fledged governmental ownership and other one was with a part of private owner, and the development bank was also under the ownership of government with a minimal part of public.

Only one bank was there in Tandi bazar before 1990 but after then private banks also opened their branches in this city. It became the milestone for the cash flow in this area. In the meantime, there established some cooperatives who collected cash from the market and lend it to them. They had scarcity of money to provide loan to the general public. General public was unable to take loan without higher excess (source-force) or bribe. But during the 1980s when neo-liberal policy introduced then the government licensed some banks to the private sector along with the foreign investors. Then, banks became accessible to the people.

Nepali youth have been going abroad for hundred plus years, they used to go as the British Army. They were recruited through a special agreement between British India and Nepali autocratic rulers. After the independence of India, Indian army has also recruited some Nepali youths. But general public had not excess except India, individually.

Nepali society became more open after 1990, then, Nepali youth started to go abroad for employment. Government provided license to brokers for job placement outside the country so that many youths took their step for abroad to whom cooperatives and financial institutions provided loan to them. Once villagers went abroad, they send remittance to their home. On the other side, due to the migration for employment, villagers were facing insufficiency of labor power for farming; facing lack of labor for plowing; felt difficulty to hold oxen for plough. As a result, they opted tractor for ploughing land. Nepali working force mostly were peasant before 1990 but gradually they became the industrial labor or other type of labor under the international capitalist class. This way, foreign employment became one of the reasons to change the class structure of Nepali society.

In this way, neoliberal economic policy especially "laissez faire economic policy" became the milestone to flow the money to the urbanizing cities and villages. Now, remittance have become the major source of foreign currency and it is contributing 26.24 percent to the GDP in 2018/19 (CBS, 2019). Migrant workers did not bring only the remittance but brought foreign

culture as well. So, foreign employment became the dominant component to flourish the neoliberal modernity in Nepal.

Foreign Employment and Its Consequences:

There have been various social classes in Nepali society, but people who work as industrial laborers are few in number, whereas people who work outside the country in the global capitalist market and in the tertiary sector are a huge number. During the period before 1980s and first 10 years of implementation of neo-liberal policy social structure of Nepali society experience changes in some indicators. CBS (2014) shows,

The proportion of the employed population in the primary sector, mainly in agriculture, is gradually declining. But the proportion in the tertiary sector has increased from 6% in 1981 to 24% in 2011. Sixty percent of the employed population reported agriculture as their main occupation. Among the employed population 27% were employees, 2% were employer and 66% were own account workers, while 4% of the employed population reported that they had only worked for less than 3 months (p. f).

Further, households engaged in own account activities in the non-agricultural sector have declined 6% during 10 years, from 20% in 2001 to 14% in 2011. The trend is similar in both rural and urban areas. Of households engaged in own account activities other than agriculture are 39.65 % engaged in service activities, 42.31% in trade and 10.18% in cottage type industries, 3.56% in transportation, and 4.30% in other sectors (CBS, 2014, p. 50).

The above data shows, on the one side that population, engaged in the agriculture sector has decreased by 31 percent (91.39 in 1981 to 60.43 in 2011) in 30 years span; and the production sector has also declined 6 percent in last 10 years; and on the other side employed population in tertiary sector is increased to 18 percent during the 30 years of period. Those data clearly show that the population is isolated from their means of production. Active working population: 31 percent from the agriculture sector and about 18 percent from the non-agriculture sector (that means those were artisans, tailoring masters, meson and carpenters, small businessmen and other) are missing their job in 30 years. Among them 18 percent are engaged in tertiary job in Nepal and those are engaged in different sectors and remaining 31 percent of active population have gone for foreign employment.

Nepali work force fled abroad for selling their labor power; Nepali peasantry which was dependent upon traditional tools and technology experienced a scarcity of work-force. When young men fled abroad, there felt scarcity of work force in agriculture, for cultivation and specially for plough the land.

Relation to Land:

Due to the foreign employment, there became scarcity of labor in the villages. Day by day, people sold their oxen and depended upon modern agro-machinery. Banks and financial institutions provided loan for buying tractor. Rich peasants brought tractor for tilling the land or plough which became the tool for cultivation to the medium class peasants and small-holders, as well. Neighbors who ploughed by tractor were happier than they who had oxen to plough. Some of the villagers started to get remittance from their young men, they paid tractor fare and labor and bought something what they needed, they seemed happier than the farmer whose son had not gone abroad. Then the other villagers also sent their young men to abroad.

In 1994-95, rate of tractor plowing was approximately Rs. 240/hour. During that time, it was not so big amount as they used to get more or less Rs. 1000.00 for 100 kg paddy. That is, during that time, per hour rate was equal to 24 kg paddy, but in 2017 it has differed; per hour tractor rate was about Rs. 1,500. and rate of per 100kg paddy was Rs. 2,000.00 to 2,200.00 during the harvesting. Thus, during 2017-18, per hour rate of tractor was 70-75 kg paddy. And in June 2022 rate of tractor plowing become Rs. 2,000.00 and the rate of paddy (produced in the same season or *Chaite Dhan*) is not more than Rs. 2000.00. This shows that the per hour tractor plowing rate is equal to 100 kg paddy. The rate of tractor plowing is increased but the production is constant, even decreased due to the scarcity of fertilizer.

In course of time, rate of tractor was increasing, rate of labor power became higher, rate of fertilizer became expensive, and everything became expensive than before but the rate of produced items did not increase rather decreased sometime. Farmers are bearing deficit in their farming. My informants tell:

The rate of tractor plowing is very high; fertilizers are so expensive; insecticides are much expensive; similarly, labor power is expensive and even difficult to find. Hence, everything is expensive to cultivate but selling price of our crop is not raised. So, farming is un-profitable, now.

In this way, peasants being poorer than poorer. Agro-technology like tractor has become means of production but it became, eventually, the tools for exploitation as well.

I calculated income and expenditure of paddy cultivation. It takes 4 months except the nursery (breeding) period, if it is included, it takes 5 months to take 1500 kg rice from a plot of 10 kattha (0.33 hectare) of land. They spend more or less 28 thousand and generate about a 40 thousand hence they save just 12 thousand rupees.

In Chitwan, land is fragmented into small parcels. In this district, average household have 1.9 parcels (CBS, 2015, p. 102) or approximately 2 plots of land; and the average people have less than a hectare of land. If there is a small plot of land, then it takes comparatively more time to plough. Due to the high payment, income becomes less.

Farmers could not earn from traditional farming; they were being compelled to bear huge losses in traditional farming. Neither could they shift modern farming replacing traditional one nor could they return back to hold oxen. It was natural that modern technology and techniques replace traditional one. On the one hand, peasants have been facing loss in their farming; so, they find easy to go abroad to sell their labor power instead of loss-making farming. In this situation, people from different classes even from the former *Jimidar*⁷ and rich peasants also have gone abroad for selling their labor power.

My informant who was coming from landlord background said, "if my son sends money, then we manage our farming". It means remittance is the source for managing their overhead expenditure. The life of remittance earner and other find difference in villages. Farmers cannot cultivate crops without remittance that raises a big issue "how our socio-economical life is impinged by neoliberal globalization". People have their own land but it has not the means of production now which was the major means of production in Nepali society, now it has become the commodity (Pokhrel, *Effects of Neoliberalism in Nepali Society: An Ethnographic Study of Farm Households in Ratnanagar, Chitwan*, 2018, p. 36). Thus, being the fruitless in farming, people indifference to their land while it was the major means of production before some years. In this situation, there appears some land brokers the villages, also in villages, they buy and sell land and some other are making connection to the landowner and buyer. Both type of brokers negotiates land property. In this way, land become the commodity. Commodification

⁷ Jimidar= landlord, who was the tax collection agent of government before 1964.

of land can be taken as a sign of capitalism. So, people isolating from their land and tightening with being labor of world capitalist class.

Isolation from Means of Production:

First and foremost, of the characteristics of the capitalist mode of production is isolation of workers from their means of production and then making them proletariat. For the origin of capitalist mode of production Mandel (1990) views,

They lie first of all in the separation of the producers from their means of production. Subsequently, it is the establishment of these means of production as a monopoly in the hands of a single social class, the bourgeoisie. And finally, it is the appearance of another social class which has been separated from its means of production and therefore has no other resources for its subsistence than the sale of its labor-power to the class which has monopolized the means of production (pp. 19-20).

More or less the same way, peasants have been isolating from their means of production, as they have sold their oxen and plough, and gone for searching a job in the international capitalist market. Ultimately, the Nepali workforce has become the cheap labor to international capitalism. Not only the lower class but also the middle-class peasants have been isolated from their means of production. In this view, however, capitalism is deepening, at the same pace, village people are proletarianizing.

National data shows, total population of working age are 20,744,000 among them 7,994,000 are recorded as working force to whom 7,086,000 are employed and 908,000 unemployed. Among the working age population 15.4 percent are employed in formal sector and 84.6 percent employed in informal sector (NLFS, 2019).

As I investigated, my informant's family (formerly they were either rich or middle peasant) used to sell their produce to the market and get money which he utilized for household expenses, before 1990. It can be said that there was commodity- money- commodity (C-M-C) (Marx, 1990, p. 200) circulation. Later, young man of his family has gone abroad and sends remittance which his family utilizes for school fee, vegetable and meat, clothes, medicine and other that is household expenses. It can be said that there is Commodity (labor power)- money- commodity (C-M-C) circulation. Before 1990 farm produce was their commodity to sell but now labor power is the commodity to sell. This is the evident of process of shifting the mode

of production from feudalism to capitalism. And it inaugurates another truth that people isolating from their property and losing their means of production. However, a few of them being richer with the new tools and technology.

Thus, there are various reasons to depose the feudalism. Revolutionary movements like Jhapa struggle-1971, student movement and referendum of 1979/80, people's movement 1990, armed struggle 1996-2006, peaceful revolt 2006 led by the political parties which have arisen the different socio-political movements including women movements, peasant movements, worker's movements have the principal role for political change which intervened the superstructure of the mode of production (Pokhrel, 2014). On the other side, the direct and indirect influence of globalization, and neo-liberal modernity, especially the direct influence of neo-liberalism has the key role for declining the feudalism and rising the capitalism.

6. Conclusion

In most of the components of the mode of production of Nepali society have shifted from feudalism into capitalism. Though, the ideological superstructure is not changed, the juridico-political superstructure being changed due to the socio-political movements. This article concludes that the base of the mode of production has changed due to the socio-economic practices of various components of neo-liberalism as well as globalized modernity which brought by the "sophisticated technology of communications" (Lewellen, 2002, p. 7) which have practiced at least for three decades in Nepal. As Nepal's political economy has become a part of "global political economy that must be taken into account that deeply disjunctive relationship among human movement, technological flow, and financial transfers" (Appadurai, 1996, p. 35).

However, neoliberalism has many impinge in society; exclusively, it has produced a new class who depends to the wages from global capitalists though they have parcel of land in homeland. That is a class which is proletarian in the view of global political economy but they can be seen as middle class in the view of domestic political economy. Formerly, they were either peasants or independent artisans but now they have become cheap labor of international capitalism. This is a question how can the Nepali work force introduce whether they are proletarian or middle class?

Finally, it is remarkable that the new social class producing rapidly in the society. And it is not doubt that those are the proletarians who are working as wage labor in different formal or

informal sector whether they might have a parcel of land in their village. And, in the similar way, those a huge number of work force who spoiling their sweat to the world capitalists community outside the country though they might have some property in any places of Nepal.

So, the finding concludes that:

- (i) As neo-liberalism being the socio-economic practices, it strengthens the mercantile capitalism in the society;
- (ii) Due to the neoliberal culture, there emerged a new class neither are they absolutely proletarians nor are they independent middle class.

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**Integrated Management for Image Branding; A Prospective Outlook from Abbottabad
as a Tourism Destination Valley of Pakistan**

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Abstract

Image branding is the prominent and well-guided phenomena of managing tourism destinations. It examines the image of cities forming as brand identity. Transformation of cities into tourism destinations is obligatory for the current management practices. The research considers the features of perception, destination accommodation, destination quality, traveler revisit, destination information system, and behavioral image for tourism destination management. Using the quantitative and qualitative research methodology, the objective is to examine and investigate the opportunities for destination branding. It investigates the features and management of tourism destinations in Abbottabad city of Pakistan through SPSS and NVivo 12 software. The prospective outlook of the results and coding reflects the significant contribution of integrated destination management for image branding, where Abbottabad has the potential to become a destination city. The positive impact of branding a destination integrates the management of destinations as it is fulfilling travelers' requirements to influence the choice of destination.

Keywords: Image Branding, Integrated Management, Tourism, Destination,

1. Introduction

Image branding is the concerned aspects providing destinations to be served through industry planners, and partners building activities for tourists' recreation and entertainment (Stepanova, 2019). It draws image branding as an indication of the incongruent offerings of destination features (Barbosa et al., 2021). Destination features of perception, destination accommodation, destination quality, traveler revisit, destination information system, and behavioral image and role of tourism highlights the destination offerings with internal stakeholders as branding of the destination (Aybek & Özdemir, 2022). For image branding authorities of tourism encourage identification of locations, site and recreational areas which could meet the demands of tourists (Khomsni et al., 2020). These areas may be in the form of a city citing destinations with unique attractions and facilities (Choi et al., 2019). Interlinking identity of the city with branding of certain tourists' spots provides for holistic accounts of destinations while incorporating the branding and image building as relevant perceptions (Khomsni et al., 2020). A city evolving as

a technological hub remains untouched with tourism related activities in a way that tourists may visit to encounter the opportunities of recreational events (Grilli et al., 2021). Conversation for destination management leads to use the better in cities with high-tech opportunities as it determines for a faithful and speedy interaction among managers of destinations and tourists (Ivars-Baidal et al., 2019). A well-defined explanation of the destination branding in the form of image building refers to the inter-related process of developing a destination featuring the use of technology-based destinations for visitors to entertain their leisure instance.

Integrated destination management requires the placement of leisure activities having features of jogging and cycling with individuals unwinding to follow the long day work (Barbosa et al., 2021). Facilities of cycling and jogging at local city destinations provides for amalgamation of innovation and stunning natural views for the tourists (Papadimitriou et al., 2018). Destinations specific direction suited climatic culture and concepts of progressing towards natural strips, leading to complexity of dividing the natural attribution of destination with tourist driven solutions (Sutrisna et al., 2020). For ever-growing city continuous working over destinations may influence the progress in perception, transportation, accommodation, and satisfaction (Grapentin & Ayikoru, 2019). Core forms of destinations are reflective of charming whether and having these facilities containing the aspiration of intermittent attractions for tourist's resort (Menon et al., 2022). The process of developing the destinations is set to address the identities as developing and forming the branding for people visiting domestically and those coming from international destinations (Kunwar et al., 2021). Tracking the evolution of cities development and projection in accordance with maps, site locations or maintaining tourists are due towards incorporation of recreational features of easy accommodation, transportation, and perception (Usmanov, 2021). These features of destination image are leading to satisfaction of tourists resulting in the revisit of a site.

Efforts for destination branding and image progress are underway with perspective of city tourism promotion and approaching multiple themes of tourism destination (Sulaiman, 2021). It reflects the well-guarded and prominent tourism destinations those may be able to compete on the grounds of satisfying tourists as top priority (Nametova & Tolymbek, 2018). Here the market segmentation is necessary, and it highlights the key functioning of multiple branding that is linked with the characteristics of preferring infrastructure development (Phuyal, 2020). Involving stakeholders in the process of developing and branding destination requires an integrated role of each to attain the progress of tourism products and catering of city councils (Rather et al., 2020). These group-based organizations and the working of tourism instigate perspective of brand identity where struggle for change is influenced by the competition (Sumra et al., 2022). Increase amount of investment in cities developed new in the populous regions of world put burden on tourist destinations (Gupta & Solanky, 2021). These define the unique experience of attracting tourists and observing strategies for crafting the overall brands of positive image through destination (Ahmed & Ünüvar, 2022). The interchangeable use of each feature costs less for making it easier to facilitate destination progress and meeting the tourist's connectivity (Kwak et al., 2019). Multiple responsibilities of organizations reflect the entities of tourism in government, states and nations that include the authorities of tourism to be part of branding (Moin et al., 2020). It is clear with explanation and identity of image with

perceived perspectives of tourists to expect acknowledgement of non-negative delivery of services for specified destinations.

The brand identity and extension of destination facilities in the form of accommodating tourists and representation of positive perception are amounting to key features and resources (Hasham et al., 2018). Extension of brand image is intermediary of visionary leadership that performed the process of branding a destination to inculcate traditional culture of branding (Shen et al., 2020). For the city of Abbottabad, Pakistan the opportunities of featuring the satisfaction, perception, transportation, and accommodation as a brand tool of destination development. This provides a useful insight as the city underwent a massive technological support to ease tourists' services on destinations. It encourages the progress of facilities available in the form of lakes, gardens, information centers for visitors and presence of natural wet land (Cardoso et al., 2019). These ensure the gaining of popularity with events of fishing competition with carnival celebrations in city of Abbottabad. The presence of promenade area around the lake featuring the prospects of a mini-park and indoor recreational facilities (Eid et al., 2019). For overseas tourists there are certain facilities providing the integrated use of each factor for image branding through destinations (Zheng et al., 2023). The underlying feature of the city provides for this research to examine the opportunities that support the image of destinations (Sumra et al., 2022). It investigates the features and management of tourism destinations in Abbottabad city of Pakistan.

1. Literature Review

Image branding is an association of the perception for the positive features of perception, destination accommodation, destination quality, traveler revisit, destination information system, and behavioral image (Us Saqib et al., 2019). The visual and mental impression of a place as experienced by the tourist identified the perception of visitors as well as the perceived brand image that enable potential attracting clients (Rehman et al., 2022). Satisfaction, obtaining of the experiences and the lowering the risks of quality evaluation of destinations provides for the recognition of destination as a brand (Andlib et al., 2021)). For tourists the extrinsic cue of image branding and positive ability of eliminating the risks are identified as building perception to visit the sites. Potential elimination of risks for taking decisions of the tourists to visit the destination in a rightful manner (Ijaz et al., 2018). Image branding is aligned with experiences, advertisements and promotions of accommodations that are key support tourist for visiting the potential destination (Shah et al., 2019). Cities with technological support and advance accommodating structure show a positive and strong perception. It shows the realization of destination image that may be able to understand the nature of tourism destinations (Shaker et al., 2020).

Destination management is attributive for scholars with distinguish and reviewed streams. It unfolds the destination accommodation feature of influencing the tourists (Ali & Shah, 2022). Incorporation of cognitive evaluation is reflection of tourists' perception about transport, accommodation, and overall satisfaction of city destination (Sattar, 2022). In the mind of tourists, the knowledge and belief of destination is contributing factor for visitors to underline

their plan of holidays (Tanveer et al., 2020). The feature of accommodation and destination quality realize the importance of emotional aspects where both are effective and captured with individual perception that highlights tourists' views of certain abilities to visit the desire places (Alam & Bahrein, 2021). Impression of destination images are influenced by the dimensions of attributes and measurable characteristics of terms underlined for easy accommodation. The city of Abbottabad, for scholars encompasses functional characteristics of accommodation with luxurious styles and components of psychological, unique, and leading features for branding (Khalid, 2018). For many, apparent lack of understanding is an attribute of viewing the leading role of cities as presentation of Abbottabad. It is favorable both for rural as well as for the urban tourism destination as features of city endorse as a town where key parts are attributive, and land is spread over 18,013 Km (19.67 sq.km) with population size of 1332,912 following the female ratio of 45% and male 57%. It is concerned of tourists with high pricing, fame, safety and quality of service.

The destination branding and behavioural image for promotion of the destination strategy provides the costs association between the identity that is desired and identical to process the integrated management (Sumari et al., 2019). Certain mottos may reflect the convey value of destination and it commercialized the powerful image of entertaining tourists (Khan et al., 2018). These visitors communicate with the equity of brands over city poor management or arrangement of destination for reinforcing the brand positioning of specific area. Taglines are commonly used for image branding of the specific destinations in sequence of considering the elements as complicated for consumer or corporate stakeholders (Umer Sultan, 2021). Experiences from the involved parties in developing and progressing meaningful change in destinations are considered in terms of range and diversity that develop competition among cities and rural tourists' destinations. Coordination of destination management organizations are normally under control of local tourists and managing authorities specified by the governments in line with success of destination branding (Arif & Shikirullah, 2019). These factors featured the linking of units, divisions, and departments as top management priority of organization.

Destination managers in Pakistan are well aware of prospective destinations with specific focus on assessment of perception, and behavioral image. It highlights the corrected misconceptions about specific locations with identification of transportation and accommodation as determinant segments of the tourism destinations (Khan et al., 2022). Progress of destinations through availability of facilities of transportation and efforts for offering such favorite destinations there is market segmentation examining the perceived image of attractive cities in Pakistan (Taj et al., 2018). The extensively accepted phenomena of tourists' perception and general behavior towards the accommodation and satisfaction is helping in predicting the competitive advantages of favoring the tourists' destinations (Sumra & Alam, 2021). Tourism marketers and developers are employing favorable tools for managing cities as a tourist hotspot (Rauf et al., 2020). Key selection of the area or specific city underlines the decision making for positive image of factors that are likely to select the destinations. The image of destinations is likely to incorporate the destination for affirmative image as memorable memories of tourists

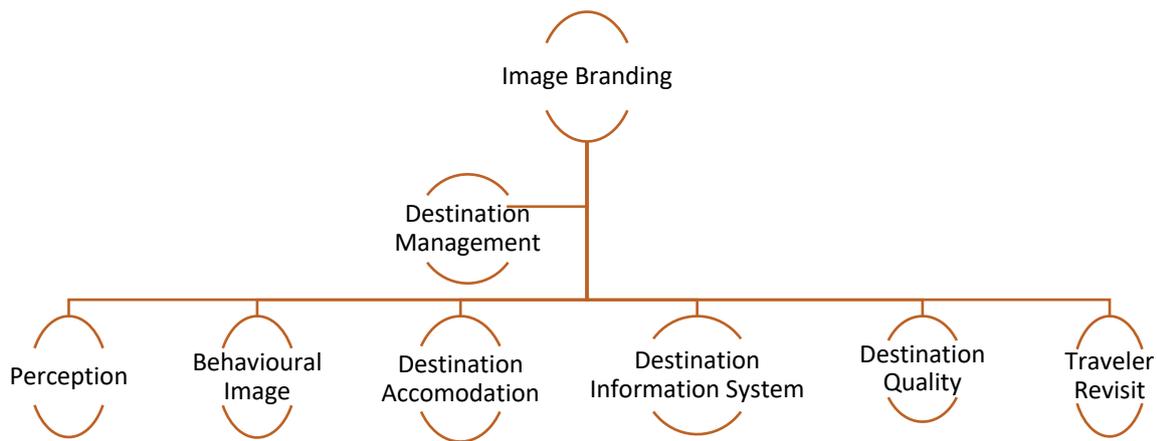
with pleasing experience of perception leading to develop an attachment with cities (Abbasi et al., 2018).

Initial features of traveler revisit, and destination information system, are undeveloped in Abbottabad as most of the land consists of useless plantation where accommodation and extensive building are gradually developed. Community club, educational institutions and presence of business hubs provides for the maintenance of city in a faithful destination (Maqsoom et al., 2022). Undertaking of install properties and the retail space with apartment suites the destination development plans for the tourist activities. Tourist demands are availability of each facility, easy accommodation, and the influence of transportation as a means to construct the commercial and residential buildings (Qutoshi et al., 2021). Further, travelling demand of tourists towards destination invites for the use of highways developed from major cities towards Abbottabad and presence of buses, cars and other facilities of transport are all attractive in sharing the services of transport, accommodation that leads to satisfaction of the tourists (Kaleem et al., 2020).

1.1 Cognitive-Affective Conative Model of Destination Image

The cognitive, affective, and conative instruments of the destination management are interrelated aspects for the destination image (Agapito et al., 2013). It provides for the cognitive components that those under the conative dimensions are increased when mediated by affective element. For the management perspectives, the model raises valuable implications for the behavioural image both at the end of a tourist visiting the destination and the host who is responsible for the support and management of the destination (Hartanto et al., 2022). The incorporation of the travelers emotional experience is influenced by the practicing of cost and benefit use of destination with the resourceful management for image branding (Rather, 2020). The perception, destination accommodation, destination quality, traveler revisit, destination information system, are leading areas of the behavioral image for positive development of destinations. Each factor for the progress of destinations is reflective and interactive for the city to become tourists' hub same as other areas underlying the active tourism practices in Abbottabad. The level of friendliness, infrastructure and transportation are linked with psychological perception (Alam & Bahrein, 2021). Similar issues are discussed by scholars in Singapore and Thailand that drive Pakistan n cities to be upgraded with retrospective features of emphasizing high-quality experience of tourists and maintaining the destination image of cities.

Figure 2.1 Conceptual Framework



Source: Author's Development, where destination management is the leading factor underlying the image branding, through features of perception, destination accommodation, destination quality, traveler revisit, destination information system, behavioral image facilities in Abbottabad city as a tourist destination.

H1: Perception is the encouraging feature affecting the Image Branding

H2: Image branding is encouraging feature affective Destination Management

H3: Satisfaction is encouraged affective feature of Image Branding

H4: Destination Accommodation is encouraging feature affecting Destination Management

H5: Destination Management is the encouraging facilitative factor for image building

H6: Destination quality is encouraging feature affective Destination Management

H7: Traveler Revisit is encouraged affective feature of Image Branding

H8: Destination information system is encouraging feature affecting Destination Management

H9: Behavioural image is the encouraging facilitative factor for image building

2. Methodology

Quantitative research methodology is implied for the study to demonstrate the tourists features for destination management for Abbottabad city of Pakistan . Image branding features and applied reasons for using the quantitative methodology are supported by authors (Sumra et al., 2022) in their research of tourism destinations. For sure, the results and quantitative analysis are effective contribution where image branding facts are effectively encouraged to meet the needs of destination management in Abbottabad (Alam, 2022). Various tests are applied to see the correlation, anova and features of implementing the destination constructs after results of descriptive tests. The research under consideration implied the use of sample size for maintaining desire participating, reliable and concerned with the subject under investigation (Sumra et al., 2020. For that matter, sample technique of probability sampling is used as participants are known to research including the tourism department, Pakistan foreign office for their input on image and attached destination management stakeholders. As a destination of choice, Abbottabad is considered through the sample size formula of Krejcie and Morgan 1972 followed with the population containing the distributed questionnaire towards 220 with

140 responses received from the concerned participants. Major areas of population are underlined with consideration of formula fit for the marginal error of 5% and subsequent use of confidence level at 95%.

For quantitative research method, the use of survey instrument is reliable and well-known practice among scholars of academic as well as experts of methodology (Saad & Yaacob, 2021: Weitzer & Weislämle, 2021). The research comprises of the 27 questions those are distributed with each variable as perception, accommodation, image branding, destination management and satisfaction. Each questions contain the choice of destinations in Abbottabad city and tourists' perception for the destination management to support through the features of accommodating the destinations as well as aspects that comprises of perception develop over the treatment and facilities provided in Abbottabad city. The development of survey instruments also incorporates the information that follows the gender, experience, education, age, and relevant detail of participant to remain focused on the objectives of attaining research. In view of this survey was conducted during the months of Feb-April 2023 with frequent gaps in attaining the required data. The use of surveys is managed through SPSS software that is frequently applied to statistical data and encouraged to show reliable results to reach a definite conclusion. Further, use of tests includes the reliability of data and questionnaire to measure the research and tests containing the descriptive, anova, regression and correlation.

Similarly, qualitative research method using NVivo software 12 is to transcribe the data from interviews and develop the codes for original outcome. This follow interview and survey questions containing the tourists are comprised of how other variables of perception, destination accommodation, destination quality, traveler revisit, destination information system, and behavioral image (Azam et al., 2018: Ram & Hall, 2018). For that matter, accommodation is set as second section where individuals are asked to response the features that need betterment for easing the needs of tourists visiting Abbottabad. Section three of the questionnaire instrument comprises of the perception that is developed by a tourist over the features and availability of demands while traveling to city. Containing five liker scale form the questions on image branding provide for the essence of how destination management contribute to image development of Pakistan through progress of destinations in Abbottabad. Linking variables with each other followed destination management where questions containing the emergence of facilitating features that a developed destination requires to progress and to play effectively.

3. Results Outcomes & Discussion

The calculation of the ratio as provided in the results reflect that 28.7% of females followed by the 61.3% of males are part of this survey. These participants responded with age comprises of 21-31 as 31.5%, 32-40 as 21.5% and these followed the ratio of 40% with age of 41-55 while remaining 55 and above age individuals are at the ratio of 7%. The department concerned with the tourism works are containing 41.7% with stakeholders leading as 29.3% and participants from Pakistan n foreign office are included as 28%. It shows that experience of the respondents as derived in the results are 1-7 years as 25.4%, with 7-10 years 37.6% 11-16 years of

experience is counted with ratio of 20% and 17-25 years of experience with 17%. These calculate ratios determine the features of image branding as inter-linked aspects for destination management and branding of image through the enhance travelling. The data implied the features of destination management as reflective over the details and lacking key fundamental resources over perception and facilities that consider travelers to remain active in the city for leisure time over every weekend.

It instigates that domestic tourist be allowed and may visit places as part of image branding process. Certain queries are not resolved where accommodation is placed at the ratio of 31.7% with perception developed over the 13.3% and it leads to satisfaction of 30% with 13.2% for image branding and remaining 11.8% for the destination management. There is dire need of progressing for the destination development and meeting the needs of city destinations to attracts tourists from other areas. The reliability of the survey instrument and research is tested with the results showing performance of each variable as reliable and it presents the overall reliability of 0.6 as acceptable. The value for destination management stands at 0.721, followed by the image branding as 0.622 and perception at 0.633. Further values for reliability of accommodation are 0.689 and satisfaction at the value of 0.0674, resulting in the acceptability of research data fit for analysis and reaching a definitive conclusion.

4.1 Table of Correlation

<i>Descripti on</i>	<i>Des Mgm</i>	<i>Image Branding</i>	<i>Perce ption</i>	<i>Destinatio n Accommo dation</i>	<i>Destina tion Quality</i>	<i>Trav eler Revis it</i>	<i>Destina tion Inform ation System</i>	<i>Behavio ural Image</i>
<i>Des Mgm</i>	1.000							
<i>Image Brand</i>	.463	1.000						
<i>Percepti on</i>	.432	.614	1.000					
<i>Des Acc</i>	.371	.332	.537	1.000				
<i>Des Qua</i>	.234	.423	.234	.523	1.000			
<i>Trav Revisit</i>	.451	.314	.391	.423	.381	1.000		
<i>Des Info</i>	.371	.432	.371	.234	.423	.234	1.000	
<i>B. Image</i>	.234	.523	.234	.473	.546	.385	.398	1.000

The perception, destination accommodation, destination quality, traveler revisit, destination information system, are leading areas of the behavioral image facilities. These include correlation that refers to the identification of numbers ranging between the value of -1 to +1 which shows some type of relation among variables used in the research. It highlights both positive, high positive and negative relations among the participants. It costs for provision of destination management which is strongly correlated with image branding as shown in figure of 1.000 towards .432. It is followed by the image branding towards destination as positive and

value of .411 of perception instigate the efficiency of accommodation needs to be highlights and positive relation shows with perception and accommodation. The destination accommodation value of .371 is positive correlation and .234 as the value of destination quality but weak positive towards image, accommodation, and perception. It highlights the traveler revisit values as .451 and .432 or the .371 to be effective for positive role of destination information.

4.2 Table of Regression

Model Summary ^b							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.473 ^a	.232	.342	.68234	.315	14.374	3

The regression model provides the values and the need for evaluation of data fit for the use and analysis of research under consideration. Here the values reflect as r with .437 followed by the r square .342 underlying the efficient ratios where significant values are less than five percent over the 0.0000 and rejecting the null hypothesis and contributing for the features of accommodation, perception, and satisfaction. Image branding and destination management are significant as values of r square change at .315 with F change of 14.374 and df1 is equal to 3 values shown in the table. The model applied to this research is effective and explain the features of destination management to illustrate the image branding as part of research focused on achievement of objectives and follow-up values.

Model Summary ^b			
Model	Change Statistics		Durbin-Watson
	df2	Sig. F Change	
1	153 ^a	.000	3.124

Resulted incorporated and provided to the model summary the values of the significance F change are determinant towards the .000 with the Durbin Watson at 2.124 and df2 as 147 showing the essence of tourism destinations for the measurement of Abbottabad as a tourists site. The desire change in the ratios of model summary highlights the determination of features for image branding as well as for the satisfaction of tourists to visit the desire destinations. Destination management results are productive and anova test results at the value of .000 are showing significant variation among variables used in the research. However, unsatisfactory position of features underlined the imminent need to meet the requirements of the tourists in order to follow image branding through city destinations. Each contributing in a positive way where mean values for destination is 3.4212 followed with the image branding as 3.1450. It includes the perception where mean values are determinant and showing 3.3212 with accommodation stands at 3.1232. For satisfaction, mean value showing the 3.3253 where each variable is in continuous operation towards the research objectives.

Figure 4.1 Coding Analysis of the Qualitative Data using NVivo Software 12

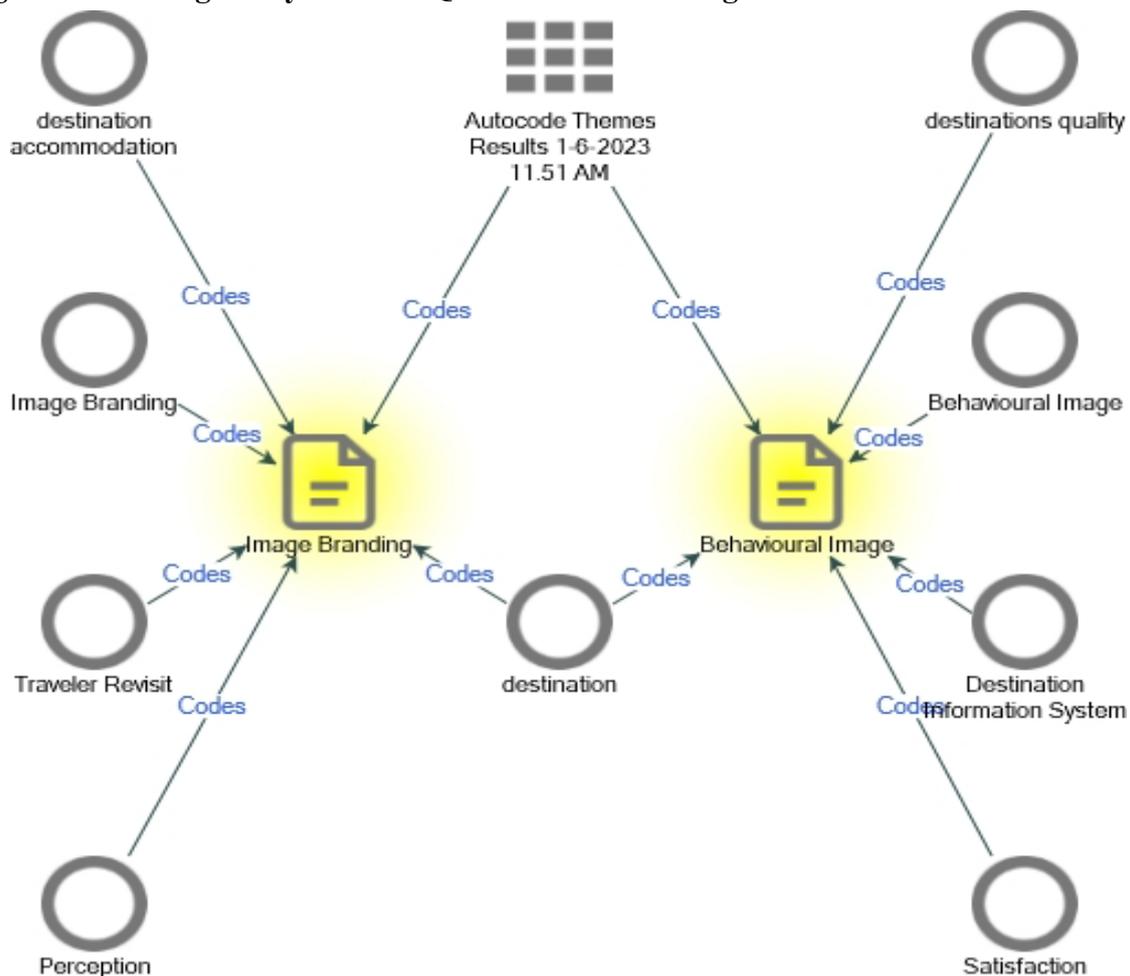
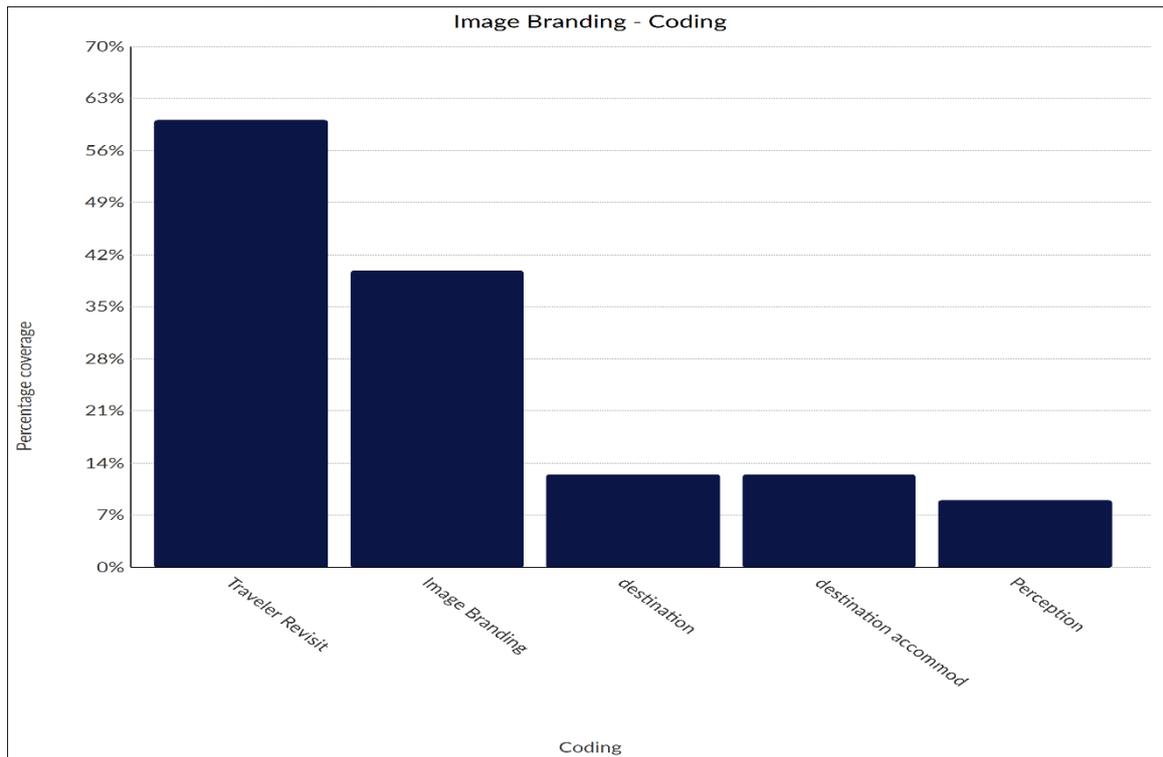


Image branding features from the NVivo coding provides the destination management of Abbottabad city of Pakistan. It incorporates an active relation between perception, destination accommodation, destination quality, traveler revisit, destination information system, are leading areas of the behavioral image facilities. The research undertakes mitigating features that implied the data developed, used, and analyzed through a comprehensive process of using quantitative method while reaching at conclusive results. It summarized the value of city for examining the opportunities that support the image of destinations while processing the investigation of features and management of tourism destinations in Abbottabad. Destination progress are aligned with the favorable outcome from the resources and recreational activities, followed for the entertaining travelers to visit cities. The satisfied attributes of destination management offer an exciting experience that is determined through the approach of developing and structuring of cities in line with tourism destinations. There is 11% perception, with 14% of destination accommodation and 13% providing for image branding. From the coding perspective there is 39% role of image branding for 62% increase in travel revisit to the destinations. It reflects the adequacy of image branding as a feature that develops a relation between destination and image. The influence of the local culture instigates attractive progress in destination accommodation leading to image branding.

4.2 Coding Percentage Analysis of the Qualitative Data using NVivo Software 12



The frequency of words as illustrated from the image below provides for the Abbottabad city those are connected with the research to underline the tourism enabling environment with availability of natural infrastructure and attraction as a tourism spot. Examination of opportunities for Abbottabad as a tourist resort favors for the use of perception, destination accommodation, destination quality, traveler revisit, destination information system, and behavioral image. The maximum use of resources by the Pakistan n government at local and national level may incite a powerful image that may develop because of meeting the underline features of accommodation, global audience, and travelers from the region to contribute for destination branding. Study through systematic investigation maintained that city resources of Abbottabad are applicable and effective for implying as a tourist’s resort, ultimately leading to image branding. The tools of soft power through tourism boom and incorporation of destinations are influential over coercive use of resources to brand image in the global interactions and diplomatic channels. Inapplicable and vague landscapes are other reasons for many states which are not able to pursue tourism destination branding, inculcation in meeting the foreign policy options. Here, perception built through accommodation, satisfaction and image branding is relevant for destination management.

Figure 4.3 Word Frequency Analysis of the Qualitative Data using NVivo Software 12



5.1 Conclusion

Study underlying the features of perception, destination accommodation, destination quality, traveler revisit, destination information system, and behavioral image are integrated arrangements. These are facilitating the image branding and destination management practices in Abbottabad, city of Pakistan. It shows the impacts over satisfaction of tourists, with positive perception and branding of image extends to the cities for destinations. Frequent use of tourism destinations for specific purposes is a modern tool and it is effective for use of image branding with understanding of destinations quality in Pakistan . The study widened scope of implying the tourists that follow an essential component for improve performance and branding of destination features. Various concerted branding efforts are needed for the expansion of this research in line with other stakeholders and department concerned with the promotion of image through destination management. The inculcation of the image with features of destinations may invite attention of tourists from diverse range and background those interested in entertaining and recreational activities on the destinations.

5.2 Implications for Future Research

As a destination city, research implied for dependency of perception, destination accommodation, destination quality, traveler revisit, destination information system, are leading areas of the behavioral image facilities for the promotion of state image. An important contribution of study in to indicate the relevancy of destination management through trust of travelers with exceeding the expectations and destination marketers may use alternative brand strategies for satisfying tourists. For meeting the needs of travelers, the extended services of accommodation or related easiness may inject an increase constituent of implying the values to destination performance. Evidence of saliency of branding the image requires for more research to be conducted in understanding the local culture of specific countries, cities and broaden the interaction of tourists. For that matter, identification of research in future may consider the image branding as a single tool, linked with foreign policy to enhance the futility

of natural resources. It may incorporate the use of religious tourism destinations as reverent sites that cannot be part of recreational entertainment.

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Factors Influencing Generation Y's Online Purchase Intention on Apparel in Malaysia

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ABSTRACT

Malaysia apparel industry has been growing rapid apparently. In this competitive market, many apparel businesses continue to seek more opportunities in order to gain more revenue. As a result, marketing has been changing with the times to times changing their market strategies. If the organizations still remain to maintain its original business model, it will gradually be eliminated. In this advanced technology era, the younger's generation is inseparable from the world of the internet. The internet has brought an immense of the convenience to people, in the past decades the internet was purely for network communications (Samadi, et al. 2022). Nowadays, many businesses have moved their business into the online marketplace in order to cater to this era of technology. Hence, in this era of technology has brought more business opportunities it benefits to trigger the economic development of various industries. The internet offers an alternative solution that enables retailers to sell clothing online instead of the traditional brick and mortar clothing stores.

There is not a face-to-face contact in the internet online marketplace. The process of transactions takes place in a virtual world. Therefore, it is crucial to analyse and identify the factors that affect consumers. Further understanding customers' need is playing an important role in the marketing and it is crucial to identify the factors that influence the online purchase intention. Understanding how customers play an important role in marketing and how important it is to identify the factors that influence the purchase intention. Through shopping activities to analyse the consumer's decision to purchase through the Internet market and the

products the consumer purchase need to be determined by the online retailer in order to succeed in a highly competitive business environment.

There are various factors influencing the consumer online purchase, these factors such as the product price, trust, website quality, the privacy and security, the customer service and other factors. Thereby, the online retailer through the study is able to understand the trend of the consumers' concern in order to cater to this immense online market. Accordingly, This research represents a study is aiming to examine the factors influencing Generation Y's online purchase intention on apparel industry in Malaysia, in which the primary data was collected through survey questionnaire from 239 respondents who have experience in purchase apparel from online stores.

The collected, through the Social Science Statistics Package (SPSS) version 16.0 was examined in terms of demographic characteristics, independent variables, and dependent variables. Based on the results of this study, five hypotheses were confirmed and accepted. The concluding findings indicated that the perceived trust and perceived privacy and security had been found insignificant to online purchase intention. However, the findings of this study indicated that the perceived value pricing, customer service, and perceived website quality had a direct relationship to online purchase intention.

Keywords: Value Pricing; Trust; Website Quality; Privacy and Security; Customer Service; Online Purchase Intention; Apparent, Generation Y, Malaysia

**An Inductive Study of Pop Culture Versus Visual Art: Redefined from the Lens of
Censorship in Bangladesh**

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Abstract

The right to dissent through any form of art has been facing challenges through various strict legal measures, particularly since 2018 when the Government of Bangladesh passed the Digital Security Act 2018 (DSA). Therefore, the references to ‘popular’ culture mostly include mainstream religious and national festivals and exclude critical intellectual representation of specific political allusions in any form of storytelling: whether wall art or fiction writing, since the post-DSA period in Bangladesh. Through inductive quantitative and qualitative methodological approaches, this paper aims to study the pattern of censorship, detention or custodial tortures against artists, and the banning approach by the Bangladeshi government in the last five years, specifically against static visual arts, i.e., cartoon and wall art. The pattern drawn from these data attempts to redefine the popular notion of ‘pop culture’ as an unorganized folk or mass culture. The results also hypothesize how the post-DSA period forcefully constructs ‘pop culture’ as a very organized repetitive deception of enlightenment or entertainment. Thus the argument theorizes that this censoring trend is a fascist approach making the artists subaltern. So, in this socio-political context, these two similar and overlapping elements: culture and art, are vastly separated in two streams: the former being appreciated by the power, and the latter is a fearful concern for the power. Therefore, the purpose of art also shifts from entertainment to an act of rebellion, adding more layers to the new postmodern definition of ‘pop culture.’

Keywords: Digital Security Act 2018, popular culture, visual arts, censoring trend, fascist approach, subaltern

Green finance, fintech, and sustainable growth in the Global South

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Abstract

The aim of this paper is to empirically examine the impacts of green finance and the fintech industry on the level of sustainable growth in the Global south. The data spans from 2000 to 2021 for 25 developing countries. Panel regression with fixed effect is applied to find such impacts. Panel data is a compilation of cross-sectional data from various sectors/countries that ultimately yields significant information about the problem under study. The fixed/random effects are the options of the panel estimation in which fixed effect estimation considers the country specific characteristics. The empirical findings reveal that green finance and fintech technologies have significantly driven the Southern countries towards a greater sustainable development. In addition, the use of fintech is strengthening the positive impact of green finance on sustainable development. The policy implication of our findings implies that Southern countries should integrate the fintech technology with green finance. However, the governments should supervise the efficiency of the use of green finance.

Keywords: green finance, fintech, panel data, sustainability

**An Integrated Framework Based on Triple Bottom Line Accounting and Stakeholders'
Perspective to Promote Sustainable Facility Location and Route Allocation Network
Decisions**

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Abstract

Sustainable operations are becoming important for companies, after the United Nations 2030 agenda that emerges countries to move toward sustainable development. Taking care of the environment, society, local communities, and related stakeholders are components of sustainable development that are affected by companies' operations. The facility location/demand allocation/route assignment decisions (hereinafter network) for a company is an operation that has varying economic, environmental, and social outcomes (three pillars) for the company and the related stakeholders. Having an integrated decision support framework that considers three pillars simultaneously and incorporates stakeholders' preferences seems necessary in the network design to reach a sustainable network and promote sustainable development. This framework is missing in the literature. We present a framework that integrates multi-objective mathematical modeling (MOMM) (Anvari & Turkay, 2017) and multi-actor multi-criteria analysis (MAMCA) (Macharis et al., 2012). MOMM generates a pool of feasible sustainable solutions based on three pillars. Then MAMCA analyzes the feasible solutions for each stakeholder. The company (investor) uses these analyses to decide on the best sustainable solution, which satisfies the three pillars and reduces future risks of conflicts among stakeholders. We apply our approach to an original case to establish the network for a juice company in Turkey using real data

Management in Non-Bank Financial Services: Threat or Future?

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Abstract

Non-bank financial services can increase the financial program's fragility in the lack of suitable financial rules. Because not all NBFIs are highly controlled, the shadowy financial structure that these institutions have created could lead to instability. In this article, we are going to discuss whether non-bank financial services are either threat or a future. Our findings indicate that non-bank financial services are threats to the economy.

Keywords: management, non-bank financial services, NBFIs, non-bank financial institutions, threat

Introduction

Nonbank financial businesses (NBFCs), also referred to as nonbank financial institutions (NBFIs), are investment institutions that do not hold a banking relationship but offer a variety of financial services. Public client contributions, which have been instantly available assets, even those in the deposit account, are expressly forbidden by such banks. This limitation prevents them from falling within the jurisdiction of conventional provincial and national government regulators. The Dodd-Frank Wall Street Reform and Consumer Protection define nonbank financial firms as "primarily involved in financial transactions" when enough than 85 percent of their combined yearly gross sales or combined assets are material to the financial statements (Liang and Reichert, 2012). Financial institutions, lending institutions, money market instruments, insurance businesses, and hedge funds are instances of NBFCs.

Foreign nonbank economic companies, U.S. nonbank financial businesses, and U.S. nonbank monetary companies regulated by the Fed Reserve Board of Governors are the three main types of nonbank financial companies defined by Dodd-Frank. Credits and credit

amenities, currency trading, planning for retirement, financial marketplaces, insurance, and merging operations are all services that NBFCs can provide. Insurance companies, venture capital firms, cash transactions, certain microloan groups, and pawn shops are instances of nonbank banking firms.

Together with financial institutions, some other type of financial intermediary defined as 'non-bank financial institutions' plays an extremely important role in the process of financing from savers to borrowers even during the phase of economic reform and change (NBFIs). That since the introduction of something like the Annunzio-Wylie Anti-Money Laundering Act in 1992, which also expanded the description of "financial institutions" as mentioned in the Bank Security Act (BSA) well beyond the boundaries of conventional establishments, the word "non-bank financial institution" has now become a widely used term. Securities businesses, insurance firms, finance, and financial leasing institutions, and institutional investors are all examples of NBFIs from a standard finance and banking viewpoint (Nguyen, 2016). NBFIs were created with the aim to (1) provide a broader variety of financial services, (2) promote price competition with financial institutions, and provide clients with higher-quality and more diverse options; and (3) fulfill the potential needs of the individuals.

With both the rise of NBFIs and credit markets, which provide firms direct access to sensitive resources, the role of financial intermediaries in the industrialized nations has eroded slightly in new years. The financial subdivision has been started by financial institutions throughout the history of world economic development and has since become intimately tied with NBFIs. In comparison to whatever the institutions had previously accomplished, the NBFIs' contributions to general development appear to have increased since then. In actuality, the coexistence of banks and NBFIs looks to be essential, and competitiveness here between the two could assist boost economic growth and operational efficiency (Sakyi et al., 2014).

NBFIs have been proved to be a major connection in producing and communicating jeopardies, which leads to economic crises, in the latest days. Regulators have concentrated on clarifying the scope and purpose of NBFIs, and also the risks generated from their effect on the financial stability, in required to formulate measures to deal with banking meltdown.

According to previous research, there are three involved in risk transmission channels:

Firstly, NBFIs create product-related risks by developing segment accounts, particularly securitized goods. Leading to a shortage of knowledge of the risks involved with securitized assets, a substantial number of banks and NBFIs held many risky investments than their initial assumptions, as seen by the recent recession (Shrestha, 2007).

Secondly, banks and NBFIs have a close relationship. As a result of this interconnectedness, financial stress experienced by a solitary NBFI may inexorably be passed to additional financial institutions (non-banks) via counterpart hazards, producing a massive economic system to collapse.

Thirdly, because some NBFIs operate on a big scale, whatever financial difficulties they have could swiftly spread to the rest of the finance industry.

The threat is among the most fascinating issues that most financial companies have faced in recent years. Numerous financial companies have gone bankrupt as a result of poorly handled risks. Non-Bank Financial Institutions (NBFIs) provide economic services to customers in Ghana, complementing the current mainstream financial firms (Rizwan and Semenoh, 2017). The increasing relevance of NBFIs, along with the recent global financial crisis, has necessitated determining the individual risk of all these organizations, and also the influence of hazard on their operation.

Non-Bank Financial Institutions and their Influence on the Entire Industry

Whereas most people need financial assistance or advice, they just go to an institution immediately. Many customers, on the other hand, discover that the company's services fall short of their expectations, making them unsure about what to do next. NBFIs manually uninstall such offerings and customize their services to match the needs of the unique client, whereas banks tend to offer a range of banking products as part of a combo pack. As a result, many individuals who are unable to obtain assistance from a bank can do so through an NBFI. NBFIs provide a wide range of banking services, including:

- Loans
- Availability of credit

- Preparing for retirement
- Funding for education
- Stocks and share reinsurance
- Transactions on the stock exchange
- (TFCs (Term Finance Certificates)
- Maintenance of one's wealth
- Administration of a stock and share investment
- Service is being discounted

Cybercrime: One of the Most Serious Threats to Non-bank Financial Services

In regard to data loss, fear of criminals was a common response in our research. It's not surprising, considering that attacks like distributed denial of service (DDoS) assaults are getting more widespread by the year. These hacks can wreak havoc on a company's broadband network, pulling subdomains and web- based services offline for hours at a time and denying access permission. For something like a non-bank, cybersecurity can have huge financial consequences in a number of ways, such increasing cost efficiency and the expense of fighting against attacks, or simply diminishing customer confidence as a result of a data leak or failure to complete services as promised.



Figure 1: Cybersecurity challenges

Source: Muir et al, 2017

Economic Stagnation

Regardless matter where it is located for news, there seems to be chatter about something like a worldwide economic stalemate. When focusing on Europe, China, Japanese, or the United States, the belief in a synchronised global slowdown seems to be the only constant.

In modern banking theory, the sensitivity of non-bank financial services to broader market risk is known to as "beta." Financial institutions' service businesses have a low beta coefficient in compared with other industries, but they are still positively correlated, meaning that they will be negatively impacted if the wider market declines. From outside the biggest banks, few non-banking institutions can anticipate to have any influence over fiscal and monetary policy, making indicators of an impending global slowdown frightening for financial professionals who would be powerless in the face of a downturn. With all this in mind, a company might prepared for a wide economic downturn in a variety of ways (Worthington, 2001). Entertain the probability of a terrible economy in advance, maintain a long-term viewpoint despite the terrible short-term results, and make predictions associated with future growth and reducing costs are all useful strategies. Through preparing ahead of schedule and creating economic buffers, the effects of something like a coordinated economic slump can be reduced.

Changes in the Regulatory and Legislative Environment

In 2019, a huge number of financial researchers think legal and statutory improvements will pose a risk to their businesses, similar to projections of a global economic downturn. Plenty already been said about just the banking industry's extraordinarily high regulation expenses, with overall rules appearing to rise every several decades while paying institutions upwards of a hundred billion dollars each year. Look no farther than the Dodd-Frank Wall Street Reform and Consumer Protection Act for an instance of legislation that has a big effect on accounting organization company activities. The legislation, which was adopted in 2010 whilst also reeling from the economic meltdown and was phased in over several years, imposed restrictions on how banks may participate in investing and market speculation

(Ofoeda et al., 2012).

But even though the legislation's declared purpose was to reduce financial system vulnerabilities and safeguard clients, it also put a strain on small community banks' profits, forcing them out of business completely, with the United States losing 14% of these businesses between 2010 and 2014. The Dodd-Frank Act was largely overturned in 2018, which would exclude smaller institutions from most of these loan reporting regulations due to a better understanding of the consequences.

Competition Is Growing

Non-bank financial institutions that have been effective inside a competitive economy, financial companies cannot relax on their laurels; an inventive industry upstart could develop and woo customers away using high-quality goods or reduced pricing. The finance system is nothing like that, with the introduction of finance approaches and creative ways to spend and save coinciding with the development of smartphones and other transportable World Wide Web items. Non-Banking institutions have been battling mobile share trading apps including Robinhood, along with internet loan and investment fund services, in recent times (Islam and Osman, 2011). Nevertheless, tech behemoths like Google and Amazon are always posing a threat to practically any business, especially finance. Consider Contactless Payments, which enables smartphone users to perform basic financial tasks like as tapping a credit or debit card and sending the money to family and friends. All of this is to mention nothing at all about the possibility that cryptocurrencies will acquire greater popularity in the future and create a paradigm role in the way financial institutions work. Anyone that has followed the cryptocurrency over the last few months can witness the industry's high volatility.

Failure to Innovate

Most financial institutions have a hard time coming up with new ideas. With the ever regulatory and legal hurdles, it's no surprise that 90 percent of executive's managers we polled said they don't place a high priority on groundbreaking or revolutionary development. It is also discovered that the industry was more inward-looking than the other six studied, with CEOs preferring to seek inspiration from fellow financial services companies rather

than seeking external concepts. Although this is reasonable, it is a dangerous situation to be in. Consumer expectations are increasing, and new competitors are emerging, thus neglecting development might have dominant companies in these next few years, but it is not a long-term business plan (Hassan, 2013). Innovative tools are being used by several bigger banks to increase their delivery choices, including such mobile access to the account. Several insurance providers are testing technology like in-car sensors to cheaper rate risk and phone applications to generate property ownership inventory for home insurance policies. As a consequence, some invention is taking place and producing results. Regulations is unquestionably a major factor in why we aren't witnessing more of that kind of type of technology. Only 35% of survey participants said they support high-potential though risky ideas. That would be the lowest percentage of responders from the private industry.

New funds

Although banks have long been worried about the dangers of greater competition, they may well have been concentrating on the wrong point. For several years, the conventional view was that fintech would eventually disrupt the sector, sucking clients away from the old, established companies who were either too large or cumbersome to maintain pace. PayPal is a good example of something like a threat to the industry.

PayPal, formerly known as Confinity, was launched in 1998, went public in 2002, and was subsequently purchased by eBay for \$1.6 billion (Saal et al., 2017). eBay has made PayPal its current preferred option, making it a success tale from the dot com boom. On a web filled with fraudsters, the PayPal logo had become a hallmark of trustworthiness, accepted by a public not yet aware enough even to recognize a hoax. Economic circumstances improved, revenue soared, and PayPal undertook a wave of purchases as a consequence of this optimism. And if it wasn't a division of eBay until 2014, it may have been much higher. Ever since, the danger of a company employing technologies to deliver a similar result has persisted. Consumers have been drawn away from banking's primary services, such as international transactions and trading strategies, by a slew of competitors. This is notably true inside the UK where a slew of new banking organizations have cropped up as a response to new competition-friendly regulations. They promised service, flexibility, and functionality that the previous administration could not match. They mostly focused on the internet and

had no real sites.



Figure 2: Non-bank financial services

Source: Jcount.com, 2020

When confronted with opposition

Although it is improbable that Facebook, Google, or Amazon will create a banking department soon, their impact on the company is starting to show.

In 2014, Apple Pay was released, allowing users to use their iPhones in the same manner they would a squeeze bankcard. A year ago, Samsung released a comparable technology. This innovation irritated Australian banks, and then in 2016, the Financial Institution, Westpac, Standard Chartered Bank, and the Bendigo and Adelaide Banks petitioned the Australian Competition and Consumer Commission (ACCC) to enable banks to join unions with iPhone. The banks were specifically interested in gaining entry to the Near Field Communications antennas in iPhones to construct their respective competitive mobile wallet. The claims were vigorously contested by Apple. Apple's response to the ACCC stated, "Authorization of a cartel among the applicant banks, who hold access to the following of all cardholder in Australia, would result in considerable customer harm and prolong the oligopoly financial sector circumstances." The ACCC sided with Apple in March 2017, ordering each bank to engage with Apple independently (Ofoedaet al., 2016).

Amazon has indeed been pondering a move into the financial services industry. Top Up, a

program that enables visitors to deposit money immediately to their Amazon account using PayPoint stores, was officially launched somewhere at end of August this year. It had already introduced AmazonCash, a comparable service in the United States, in July. Such services enable the company to reach out to a limited percentage of customers who have not had debit cards. Although money deposited into Top Up and Money cannot be retrieved, the programs are a precursor to a typical bank account.

Troublesome Technologies

Technology that allows one firm to stay competitive may end up altering the entire segment, putting those who are sluggish to adjust overdue. Service systems like Apple Pay, advanced investing systems such as the Robinhood app, and even future earnings like cryptocurrency are cases of technological innovations (Flannery, 2017).

The danger of new technology drawing consumers away from traditional processes will always be present in such a fast-paced industry as banking. For an organization to be successful and grow for a long time, such alterations should either be anticipated or adjusted to the best of one's capacity. Apple Card, for example, is expected to tempt current Apple users with its ease of use and lack of additional costs, leading other major credit card companies to refine and improve their solutions to the customers.

Incapability to Recruit and Maintain Key Personnel

Another common concern amongst some of the finance professionals we spoke with was the challenge in attracting and retaining excellent talent. Because of absenteeism and turnover, resources must be allocated to hiring and firing individuals instead of other vital business development goals. It can also affect employee morale and create difficulties to create a healthy work environment where workers collaborate and embrace the company's mission and values.

With unemployment rates in the US at record lows, employers must compete for the best and brightest members by giving advantages such as training programs, a pleasant workplace environment, and, in some circumstances, simply more money than competitors.

Workplace disruptions

As the phrase goes, "time is money," and nowhere is this truer than in the financial world. Business interruptions result in decreased productivity, lower profits, and, in some cases, even brand damage. As already stated, these interruptions could be caused by attackers or simply by extreme weather.

Increased insurance coverage is purchased by some firms to mitigate a real risk, but such plans only cover damage or injury to actual objects, not lost revenue. In any case, there's no arguing that business disruptions should be avoided at all costs (Haque, 2021).

Political Crisis and Vulnerability

Political unpredictability, like the dread of governmental or legal changes, was among the top twelve poll replies. Abrupt changes in the tide of public opinion can have serious ramifications for businesses, as the detention of Huawei's CFO in Canada has demonstrated.

Furthermore, the United States' recent threats to impose tariffs on China and Europe have harmed the future prospects of various enterprises operating within their borders. The best way to deal with shocks, such as the possibility of an economic recession, is to formulate a strategy on how to deal with any interruptions to marketplaces or distribution networks. While no single company can completely remove such systemic risks, organizations that are structured to be unstoppable in the face of severe events will have the best opportunity to deal with civil turmoil.

Responsibility to a private entity

In addition to a lack of freedom, users reported third-party liability as a top risk they are concerned about in 2019. While the particular circumstances in which third-party responsibility emerges vary by industry, it might occur whenever a company hires outside business to get a service. In the financial business, where financial service providers are held liable for the activities of suppliers, third-party responsibility impact is especially relevant. As a consequence, it is critical for financial institutions to carefully assess service providers

before forming official collaborations.

In terms of building mechanisms to mitigate third-party potential liability, the financial sector has been way ahead of the game. Bankers have deeply connected supplier risk mitigation into their activities as a result of the abovementioned rise in the incidence and intensity of cyberattacks. Prior hazard identification, cautious design of agreement stipulations, and continuous supervision and control of third-party suppliers are all popular methods for dealing with third-party responsibility.

While it is crucial to avoid third-party responsibility unless you decide not to participate in collaborations at all, the best strategy to reduce third-party risk is to properly choose possibilities and show caution in all dealings with outside trading partners (Oh et al., 2017).

Price Volatility in Commodities

Price variations round out the list of the 12 most popular questionnaire surveys. "Price unpredictability that has a negative influence on the financial outcomes of people who both use and generate products" is how commodities price risk is described. Commodities such as oil, corn, cotton, aluminium, and steel provide a price volatility to both businesses and consumers. Companies that are exposed to significant commodity price risk typically diversify by employing futures and options on global markets such as the Chicago Mercantile Exchange.

Tariffs on steel and aluminium in the United States highlight how price discrepancies can arise and severely hurt businesses. Since the tariffs were introduced, market capitalization factory owners have suffered with stock values and general corporate health due to greater expenses, lower output, and lower revenue.

While some of these hazards can be completely eradicated, having a comprehensive risk management strategy in place can help mitigate disastrous situations.

Bases of Funds

NBFIs obtain capital from a variety of bases, such as financial products, bank borrowings, insurance company loans, and foreign agency loans, and also institutional and public

accounts. For NBFIs, bank lines of credit account for the majority of their overall funds. Deposits from the general public are another key source of funds for NBFIs, and they have been growing in recent years (Saksonova et al., 2017).

NBFIs are prohibited by banking system legislation from collecting deposits from the general public for less than six months, which provides an unfair competitive advantage over banks, as banks are also investigating the commercial prospects presented by NBFIs' cheaper cost of funds.

High Funding Costs

Because NBFIs obtain the majority of their money from commercial banks, their cost of funds is substantially greater than that of commercial banks. Their misery has been exacerbated by the current financial crisis. In December 2012, the weighted regular interest rate for all banks was 8.39 % on deposits and 14.1 % on loans, according to the Bangladesh Bank's department of statistics. As a result, NBFIs' cost of capital would be at least once or twice that of banking.

Absence of secondary market.

Even if the evaded asset is improved, disposing of it is difficult due to the lack of a well-established secondary market. In the case of these retrieved assets, NBFIs may explore introducing the notion of lease agreement rather than the more common mode of finance leasing to stimulate demand for secondhand or used machines and tools.

Legal System Is Weak

The underdeveloped legal structure, according to Nasreen and Jahan (2007), causes a challenge for operating leases. According to Islam (1999), Bangladesh's legal structure stifles the expansion of leasing enterprises. NBFIs encounter challenges in collecting leased assets in the event of a default, even though the default mentality has not yet contaminated them to a significant degree. Another lawful issue that leasing firms face is the accurate of devaluation for leased property, which is common around the world (Schandlbauer et al., 2017).

Human Resource Shortage

Human resources that are skilled and well-trained are critical to the growth of any organization. The supply of knowledgeable professionals is a barrier for this business given the recent development of NBFIs. The scarcity of skilled resource employees has resulted in a large rise in compensation packages, which is a cause of worry for NBFIs.

The Capital Market is in a Bad State

Since early 2010, the stock market has been in a downward spiral. Over three million shareholders have lost money. They were forced to take to the streets to protest. The NBFIs were hit hard by the market meltdown, which was followed by a slow economy. The trade fell dramatically, cutting revenue for securities firms, and NBFIs with a portfolio suffered significant losses as a result of the price drop.

Misalignment of assets and liabilities

According to Madura (2009), it is a common occurrence for all types of depository institutions for assets to have a longer average maturity than liabilities, which exposes banking institutions to interest rate changes. When it comes to managing the asset-to-liability mismatch, NBFIs are in a pickle. The average weighted life of the respective businesses should be shorter than the average weighted life of the firm's deposits and loans. Only one company in Bangladesh (Banerjee and Mamun (2003)) was effective in adhering to the following rule.

Name of the NBFIs	Average weighted life of deposit & borrowing (years)	Average weighted life of the business portfolio (years)
IDLC	2.94	2.84
ULC	3.64	4
PLC	1.92	2.5
BLIL	1.52	1.5
PFIL	3	3
BIFCL	3	3
BIFICL	N/A	3

Source: Banerjee & Mamun, 2003

Putting money into a high-risk portfolio

The majority of NBFIs officials polled agreed that, in comparison to banks, they engage in higher-risk initiatives. The explanation for this is that because their fund's cost of capital is high, they want a bigger return than usual. As a result, they select projects that have been rejected by banks due to their high risk. It may result in an unfavorable balance sheet for certain NBFIs.

Banks are in competition

NBFIs cater to the section of the market that is left intact by banks. In our country, there are 3 commercial banks with a total of forty-seven branches, with another 9 on the verge of opening. As a result, selling credit products is extremely competitive. When commercial banks participate in non-bank activities, the situation gets more difficult (Sytnik et al., 2017).

Suggested Alternatives

Investigating Alternative Funding Sources

To alleviate the financial crisis and lower the cost of funds, NBFIs must make the first move to investigate other sources of funding, such as the issue of corporate debt and discount or sales of lease debtors. The financialization of property could be another new and attractive source of capital. As an alternate source of funding, IPDC released the first asset-backed bonds in 2004. In this sense, the organization should give the appropriate policy assistance.

Using Floating Interest Rates

We all know that asset-liability mismatches are one of the most serious problems that any lending institution faces. The problem can be solved if NBFIs can match the term of their asset items with their lending products. However, it is nearly impossible. As a result, NBFIs can use floating interest rates throughout their loans.

Interest rate swapping

An interest rate swap is a transaction in which one set of fixed interest payments is traded for a different set of variable interest payments, and vice versa (Madura 2008). Increasing interest rates hurt financial firms with more interest-rate-sensitive liabilities than assets. Financial firms with long-term fixed-rate funding that use the money largely for floating-rate loans, on the other hand, are negatively affected by falling interest rates. Interest rate swaps can be used successfully by these financial organizations to mitigate interest rate risk.

Investing in Assets with the Lowest Risk

A balance between risk appetite and the greatest predicted yield is ideal capital allocation (Bodie 2009). Only investing in high-risk assets lowers an organization's grade. As a result, NBFIs should invest in assets with a typical risk profile. They might adopt the BASEL-II rules in this respect. Delta-Brac housing has regularly kept a strong score across the nation for a few years.

Enhancing the Capital Market

NBFIs play an important part in the growth of the capital market all over the world. A thriving stock exchange, which is at the heart of economic progress in any market-based market structure, requires strong institutional backing. NBFIs can help in this area through their merchant banking division. In Bangladesh, there are now 30 commercial banks registered, with 23 being full-fledged, 6 being issue administrators, and only one being a portfolio manager. Only 9 NBFIs have qualified with the SEC to conduct commercial banking (Wang et al., 2018).

Creating a Complementary Legal Framework

For the prompt and efficient growth of NBFIs, a vibrant and progressive legal system is needed. The Financial Institutions Act of 1993 and the Financial Institutions Regulations of 1994 presently regulate NBFIs. These rules have some flaws that have been found. The

categorizing of deposit and non-deposit users should be a requirement of NBFIs regulations. NBFIs that engage in capitalmarket activities, such as raising funds through public offerings of securities, should be subject tothe Securities and Exchange Commission's regulatory oversight.

Conclusion

Banks and non-bank financial firms are both important components of a healthy and secure monetary scheme. Most nations' financial systems are dominated by banks since companies, individuals, and the government all depend on the funding scheme for a variety of financial materials to satisfy their financial needs. NBFIs, on the other hand, have a large following in both industrialized and developing economies since they provide additional and alternative financial services. On the one hand, these organizations support ease long-term availability of funds, whichcan be difficult for banks to do, and on the other side, the development of NBFIs broadens the range of goods accessible to institutions and individuals with monetary backing.

Through their activities and venture funding, NBFIs can rally long-term funding for the growth ofjustice and due to the financial markets, lease, and folding. NBFIs also serve as a barrier in the market, which is especially important during period of recession instability. A well-functioning NBFIs sector also contributes to the country's economic overall purpose of financial sustainabilityby reducing perverse incentives.

Because of the expanding prevalence of NBFIs, which help corporations to easily access savings and investments, banks' function as financial institutions in industrialized nations has dwindled. Financial development began with financial institutions and then grew to include non-bank financial entities, according to world economic history. NBFIs' role in Vietnam has increased as aresult of this influx, although there are still worries about hazards and the financial system's fragility.

According to the study's quantitative findings, the synergistic impacts of NBFIs development on the stability of Vietnam's financial system show some indicators of improvement rather than deterioration, as we had anticipated. The asset size of securities, finance, and financial services leasing enterprises is positively connected with stock market volatility, according

to our analysis based on the segmentation of impacts by the NBF group (Yao et al., 2018). Simultaneously, the growth of insurance companies is accompanied by reduced levels of market volatility and decreased rates of non-performing credit at banks. This seems plausible, given that an expanding insurance market might produce more efficient inventory market hedging tools and also credit insurance products to help banks avoid bad loans.

On the other hand, while the current operational status of several NBF categories may present possible hazards at different times, these do not appear to be significant to have an impact on Vietnam's banking system and overall financial stability. We planned to include the 'financial stability index' as a predictor variable for our econometric approach earlier on in the research procedure, to create an accurate and appropriate analysis of the relationship between NBF development and financial stability. However, because the data series for Vietnam's financial system appears to be insufficient, the authors created a composite index for the years 2010 to 2018 to combat such issues.

For NBFCs, the future appears to be very important, and only those that can meet the challenges will be likely to survive in the long run. NBFCs, on the other hand, must concentrate on their fundamental advantages while working on their deficiencies to stay alive and flourish.

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