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Key Banking Optimum Settlement Allows Further Performance of Tourism Along with Other Services Industries Products- A Study of Product Performance of Tourism and Insurance

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Abstract

There are innumerable challenges that the banking sector is facing today. Though the different industries find a faster pace than what was before, resources are still at a constraint when it comes to talk about the economic liberalization. The present paper attempts to illustrate on the how the introduction and encroachment of technology through mobile applications can enable a new form of strategic product integration and help in enhancing its own parameters of growth along with the emergence of totally new service domain altogether.

Keywords: Banking, Economy, Finances, Digital Economy, Mobile Banking, Online Banking, e- Commerce.

Introduction

The emerging of digital economy that is e-commerce or e-trade has changed completely the way services sector business gets conducted at regional, national as well as international levels. The services industry has been the most significant in terms of economy in India even from the colonial period. Within the framework of GATS (General Agreement on Trade in Services), there are countries that have committed to progressive trade liberalization in terms of trade. Of course, there are these developing countries including India that are becoming ambivalent as there are no benefits of liberalizations that are obviously showing affect.

History of Banking

The Indian Banking Industry, valued at Rs 77 trillion, was looking to become the third largest in the world by the year 2025. In the modern sense, its birth dates back to the early 18th century when Indian economy had just started to come in terms with the regularised flow of money [1]. General Bank of India was established in 1787, but soon ceased to exist. Later, State Bank of India was created, which became Bank of Calcutta afterwards, and then Bank of Bengal.

There were a few more banks that were formed, and later merged with each other over the period of next few decades [2]. It resulted in Imperial Bank of India coming into existence with the union of Bank of Bombay, Bank of Madras, and Bank of Bengal. In 1955, after Independence, Imperial Bank of India was again renamed to State Bank of India, which remains one of the largest banks in India even to the present days [3].

In 1935, Reserve Bank of India was formed as the Central Bank to regulate financial institutions that existed then. The State Bank of India became a public sector undertaking in 1969 that allowed it to become profitable and compete with the other national and international public and private banks in the country. In 1971, the Credit Guarantee Corporation was incorporated, which was followed by creation of Regional Rural Banks in 1975 to serve the villages with a basic banking and financial service structure [4].
In 1980s, the banking sector was nationalised to give the central government a better control over credit delivery. It had a remarkable effect, with an increase of over 80% deposits in these banks. With this interference, the Indian Central Government became in charge of almost 90 percent of the banking business in the country (Kaur, 2011).

A decade later, in early 1990s, the merger of New Bank of India and Punjab National Bank took place. The move was complemented by the liberalization policy under which some private banks were issued licenses to expand their banking operations nationally (Pamigrahy, 2000). These together were called as Technology Oriented Banks of the New Generation, and constituted of Global Trust Bank, which later merged with OBC, UTI Bank (known as Axis Bank now), ICICI Bank and HDFC Bank. The merger was boosted by the electrifying development in all the sectors in the

industry and gave banking sector a new birth in India, which since then has seen huge involvement from all banks, including public banks, private banks, and foreign banks [5].

During the same decade, Indian banking sector witnessed another colossal move. It was to introduce relaxation in the rules for foreign direct investment (FDI) in the sector. Under the new norm, the voting rights of the foreign investors were proposed to be increased from the prevailing 10 percent [6]. Though the voting limit has now been increased to 74 percent, foreign banks are expected to follow some terms to exercise it. This policy change has revolutionized the Indian Banking sector completely. Until the policy came into action, bankers used the 4–6–4 method (borrowing at 4 percent; lending at 6 percent; returning at 4 percent) of functioning [7]. The introduction of more foreign-private banks changed the overall functionality system and made banks adopt technology-dependent ways of operations. These changes showed the way to the retail growth in India. Individuals insisted on getting more from their banks and their requests were fulfilled [8].

- All banking institutions, which come under the Second Schedule to the RBI Act of 1934, are known as Scheduled Banks. These include Scheduled Co-operative Banks and Scheduled Commercial Banks, which are further divided into five categories as per their holdings and/or the segment of market they cater to [9]. These bank groups are:
- State Bank of India and its Associates
- Nationalised Banks
- Private sector Banks
- Foreign Banks
- Regional Rural Banks

Note: Whenever banks are classified in these categories, IDBI Bank Ltd. is counted among Nationalised Banks.

Scheduled Co-operative Banks include Scheduled State Co-operative Banks and Scheduled Urban Cooperative Banks.

By the end of first decade of the new century 2010, the banking sector had attained a fairly developed approach in terms of service, resources, products and geographical reach by becoming available to individuals and businesses in the tier two and tier three cities [10]. The villages still possess a great challenge for the foreign banks, as there is still a huge chunk of market waiting to be tapped. As compared to them

counterparts in foreign economies, the Indian banks have a fairly clean reputation for their assets and capital adequacy. They are acknowledged widely for their non-fraudulent and financially strong balance sheets – a mark that not many banks in other similar economies have achieved. All the banks are regulated by The Reserve Bank of India, which still remains an independent and self-governing body, with minimal interference from the central government [11].

It is anticipated that the development of banking in the Indian market will be robust for coming few decades, and retail banking, personal loans and investment services are likely to be particularly bullish. In addition, the mergers, associations, takeovers and the sales of assets are a few services expected to drive this sector strongly [12].

Literature Review

Manual Stages of Development in Tourism, Banking and Insurance Industries

The initial years of independence (1947 to 1967) were marked by numerous challenges – an embryonic economy presenting the standard scenario of market crash in the rural region, where information irregularity has limited the functionalities of the banks. In addition, there were many issues due to connected lending as majority of the financial institutions were managed by business owners [13].

The second phase of banking was from 1967 to 1991. It was marked by key progress measurements including public management of banks, followed by restructuring of 14 banks in 1969 by taking them into public ownership and 6 more in 1980. It was an effort to use the limited assets of the banking structure for overall development [14]. During 1969 and 1980, The Lead Bank Scheme was developed to bring the blue-print of bank branch expansion into reality. Various channels were drawn to help monetary transmission in the far lads of the country [15].

It led to fall in the share of unorganised credit and provided stability in the economy by making it come out of the low level of equilibrium. In spite of this, the factors that helped increase the awareness and use of institutional credit and develop financial system, also gave rise to misrepresentations in the process [16].

Manual banking meant high error rate, despite maker-checker or 4-eye principles being in practice. There were incidents when the bank reports would contain false entries, which had not been reconciled [17]. There were repeated incidents of wrong MIS reports sent to regulators and top management, branches failing to conform to notices; balance sheets were occasionally found to be laced with incorrect numbers for exaggerating performance; and bad decisions and assets were neither scrutinized nor reported correctly. All such poor practices increased banks‟ losses substantially. Simultaneously, banks had to be on a constant lookout for frauds and scams, usually pulled off by employees [18].

Technological Foundation Stage of Development in Tourism, Banking and Insurance Industries

Change in the banking sector began only after the introduction of financial reforms in the early 1990s.These structural reforms were introduced with the intention to make the banking system strong and resilient. They initiated the pace of economic growth and sought to end banking sector from control regime [19]. The Reserve Bank of India made great efforts towards implementation of international standards in a slow but steady manner, in different prudential norms including the risk management, corporate governance, auditory compliances, transparency in the books of accounts, and disclosures [20]. The restructuring helped RBI to move up from micro management of commercial banks to focus largely on the macro goals. Deregulation and liberalisation gave banks the means to compete with international banks and face global challenges [21].

The reforms brought IT into mainstream and helped bankers to

carry out normal functions like payments, issuance of cash receipts, transfer of funds, keeping records of transactions, and many other paper clearing operations with ease [22]. Since it was just the beginning of automation, it was decided to keep the core operations such as foreign exchange, loans, financial underwriting, investment banking and treasury continued under manual control. Technology was still slow, and it normally took more than a day for any transaction to reflect in the account because every bank maintained data on its own server and reconciliations were done only at the end of the day [23]. In addition, banks also maintained parallel manual ledger to ensure that the core back-end processes were backed up. Larger banks, which had multiple branches, took a lot of time to consolidate data for their zones or regions. Appreciating the advantages of technology, banks started adapting to a complete automation solution [5].

Computerization enabled easy recovery of customer and account information at the teller terminal to speed up client service and process effectiveness on one side and faster consolidation of General Ledger data and MIS accessibility to the local offices on another side [24]. Automation ruled the 1980s and 1990s with electronic fund transmission and ATMs. These advancements increased banking competence and output. Computerization progressed at another pace across countries, established on the basis of acceptance and expense, and was largely motivated by the needs of the financial sector [7].

The IT transformation has a huge influence on our financial system, especially the banking sector. Internet revolution of India began in mid-1990 [25]. It forced the integration of automated banking with online medium, and ushered in information centralization. This made the way for new age financial solutions including main banking applications covering decisive day-to-day operations of the branches, while embracing trade finance, treasury and investment banking [11].

Although such critical banking applications were integrated with basic risk controls and Anti-Money Laundering (AML) checks, banks also sought out specialized solutions to control and discover frauds [26].

India in all had over 95,000 ATMs by the end of 2012. Though private banks have more ATMs, the off-site ATMs of SBI and its subsidiaries do not fall too far behind as well. The maximum number of on-site ATM is the highest for nationalised banks [27].

Mobile Applications in Banking Industry

Mobile banking is a channel that allows consumers to directly interact with their bank using a mobile device. In actual sense it is part of electronic banking and supplements online banking by means of its distinctive features [28].

The latest trend of mobile banking has evolved as a new method to remain in touch with their customers by the banks. Banks are now able to provide banking at a go. Consumers can make the payments, submit requests for their banking needs, carry instantaneous two-way data exchange, and get unlimited access to monetary information and services anytime, anywhere. Everyone in the business understands that the scope of mobile banking service consumption is huge, and there is a great need to tap its potential. Since everything on the mobile is instant, consumers too want readily, quick, convenient and compatible service on demand. Once they are satisfied that mobile banking gives them better control over their financial transactions, they are more likely to recommend its use to their peers as well [29].

Banking, Insurance and Tourism Industries- Technological Changes

So that customer expectations are met, companies at financial services are looking for alternative channels so that customer convenience is enhanced, cost is reduced and profitability is maintained. Finance sectors are already taking a wide use of phone banking as wells as automated teller machines (ATM) in various countries and are adding on to their sophistication with each passing day [30].

while studying on phone banking have integrated and proposed a framework to investigate on the intention of adopting the technology for mobile banking and tried testing it in the Brazilian context. The study got conducted on some 666 respondents from those cities in Brazil that are most economically thronging [31].

Changes in Banking Sector and Its Adoption of ICT

Indian banking industry has remained a witness to many regulatory changes for last 10 years that has brought in a high end competition amongst these banks. The entering of private sector and foreign banks, after the recommendations from Narasimhan Committee, has actually increased the customer service expectation manifold [32]. The banking system of India answered to the reforms of post-liberalization in credible ways with a show of admirable enthusiasm in absorbing the reform impacts [33].

Panigrahy (2000) exemplifies that the adverting of foreign banks and private sector has been equally instrumental in enabling higher benefits along with newer service options to the customers.

The significance of ICT being one of the driving elements behind the economic growth within services sector is being repeatedly emphasized (Rust, 2004). Along with it, using the ICT has driven a marked amount of change in services industries that had traditionally depended upon close personal communications between the employees and customers. Therefore, the infusion of this technology has changed the modes of conceiving, developing and delivering these services [34].

explains in one study how the newer types to services that are technology based fit in the current service typologies as well as provide extensions of present frameworks so that their unique features are captured. Goedkoop et al., (1999) state that those in the governing body of technology management literature have almost unanimously integrated services with their central products presently so that desired value to the customers is produced. A product in itself is in diversified customer requirements and dynamic environment [35].

enumerate that the technology roadmap is one that happens to be one amongst the most enormously used methods to support the technology‟s strategic management [36]. The fundamental purpose this roadmap has is of providing the technology‟s strategic

management within one dynamic business surrounding, working as one of the management equipments for planning, administration and forecasting.

Ghimire (n.d.) had conducted one study that makes suggestion on the typology concept in technological interface within the integration of product-service. It looks into the various feasibility aspects of the integrated roadmap for the integration of product and/or service, where technology is acting as a one important interface in between the service and the product.

Tourism, Insurance and Banking Industries and Mobile Applications

explains that by the use of internet, or via direct connection using the modem; people could get an access to their bank accounts along with conducting transactions throughout, at any time 24*7 availing increased convenience and reduced cost [37].

Electronic banking could be set up in an organized fashion as either „open‟ or „closed‟ systems. Closed systems remain with restricted access to its participants who would be 9 restricted on the basis of memberships, and is accessible through the internet connectivity anywhere in the world [4].

opines that the companies worldwide in telecommunication are developing 3G sets of mobile phones with their applications. In the United Kingdom, mobile banking has been considered as amongst the most important and value-added services that are available [38].

ICT Applications and Its Advantages to Society

The information society has been through four stages of transformational development, the most essential stage had begun in the last part of twentieth century that brought in a kind of revolution that was never ending, specifically by introducing the ICT. During these times there were unpredictable developments that profoundly affected the social structure- the fall of manufacturing sector in comparison to the information-rich sector of service, which happens to be one of the examples of these developments [39].

Singh says that the changes that are happening with ICT application so that advantage to the society is provided in various areas including everyday life has substantially affected the total scenario with our lifestyles [40]. Laing et al., & (2001) explains that the fast growth as well as the dynamic nature of the industries worldwide in mobile communication has attracted many marketing practitioners and academics. Clemes, Shu & Gan enumerates that one of the important determinants of the perceived value of customers, corporate image, customer satisfaction, and the switching costs is service quality [41]. The study or end-value support, the use of a multidimensional and hierarchical approach is to conceptualize and measure customer perceptions about the service quality within the market of mobile communication.

Introduction of E-Commerce by ICT and Its Impact

ICT has introduced the field of e-commerce using the developments in the internet services as well as the World Wide Web. Consumers today have higher options in terms of budget planning and vacation. 95 percent of the users of internet search it so that they could gather information related to travel. Destination web pages got visitors from 93 percent of the surfers and almost half of them used emails for gathering information related to travel Travel bookings that were internet based were actually booming [42]. In the year 1998, hardly over 2 percent of the total travel market had done transactions through the internet. The analysts were predicting a rise to around 7.5 percent by the end of 2003 [43]. Information and knowledge has a key role to play not only in selling breaks that has come up in the recent years, but also on cementing a kind of customer relationship that means more business within the coming years [44].

Rayport & Sviokla have stated that the nature of services which is more intangible has enabled the arbitrated technology models get readily accepted within services [45]. The speedy development in the online access of the consumers and the use that travel and tourism has is getting reflected with the state of sales activities and online communication in this industry.

Geddie, DeFranco & Geddie say that internet has the potential to reduce costs of transactions as well as simplify transactions for the customers. Szymanski & Hise have tried discussing for dimensions of web for customer satisfaction; convenience, site design, merchandizing and finally financial security. Machlis says through his research, hardly few customers are there who make bookings through the travel sites online; most of them simply check through the websites out of which hardly 1-5 percent make reservations actually [26, 46, 47].

Use of Online Facilities and Its Effects

Law & Leung have identified pricing information, product information, facilities of online booking along with fast web page loading time as the determinants for customer satisfaction in case of online sites on air travel facilities [48].

As Van Riel, Liljander & Jurriens puts it, customer satisfaction and preferences with the websites on online travel all depends upon how accessible, navigable, reliable, design, and customization has been done on the website. Rawami & Gupta have suggested that the influence that value-based services and mobile terminals meant for the exploring of different options as well as services that are agent-based can help in improving the customer satisfaction through a service [49, 50].

There is the need of careful preparation in tourism, presentation and crafting of a place. In the beginning, places have to be made accessible with proper accommodation facilities. Making a good publicity of the place with the help of media is also important. All of this suggests that a given place is prepared for consumption and presentation [51].

ICTs or Information Communication Technologies are the agents responsible to transform tourism globally. The re-engineering driven by ICT has steadily made a paradigm-shift, by the alteration of the industry structure and also by developing a complete array of threats and opportunities. Largely, ICT has a critical role to play towards the competitiveness of the tourism destinations and organizations [3, 12, 52,53].
Werthner & Klein determined that the most important technologi-

cal developments are forcing fresh new wave of the technological evolution [54]. The trend hidden in all kinds of developments actually is the hardware integration, the software integration as well as intelligent applications with the help of advance user interfaces and networking.

Table: Banking

S. No.	Author/ Year	Key Issues
1	Eriksson & Nilsson (2006)	Buyers are found continuously using Self-Service Technology (SST). The area often remains neglected as most studies have a focus on the acceptance or adoption of SST by the buyer. Comparing to acquisition of new buyer, using the cost-effective market strategy study is aimed to retain buyers.
2.	Mishra & Bisht (2013)	Telecommunication growth in infrastructure especially in the penetration of mobile phone has enabled in creating an opportunity to provide financial inclusion that is required mainly in India to pull millions of its citizens out from poverty. The paper attempts at presenting how designing bottom-up approach in mobile banking can be accessible and acceptable to the poor. The paper has resulted in pointing clearly how urban poor prefer a bank-telecom led joint model of banking.
3.	Martin, Lakshmi & Venkatesan (2014)	Banking happens to be one enterprise that consists of different levels in users having different levels and kinds of information. There is one model of information delivery for business of banking, taking information from the business analysis to find the best user suitable for the particular information according to criteria to deliver the multi criteria reporting.
4.	Lengyel (1994)	The article talks about the drastic changes that were brought in the banking systems of Hungary during their economic reform in 1968 and how the financial system‟s transformation accelerated due to the establishment of banking institutions that were specialized.
5.	Gurau (2002)	There have been fundamental changes made by the internet in almost every single industry over the last five years. Banking too has experienced the alterations, where the open and ubiquitous nature of internet has forced all the banks towards introducing and fast upgrading their front-end applications in internet.

Methodology

Hicks (1964) states, any research design to be the arranging of the conditions for analysis and collection of data using methods that aims in combining relevance with research purpose and the economy in course of action. It is the basic framework for the collecting, measuring and analyzing of data [55]. The uncontrollable problem that arises after a research problem has been defined is in preparing its research design (Ambec et al., 2013). The design actually constitutes the outline about what the researcher will be doing from the process of hypothesis creation, its operational implications and followed by finally analyzing the [55].

There are some important concepts that work with a research design. These are:

Independent and Dependent Variables: A concept that will take on various quantitative values is known as variable. Qualitative attributes can also take the form of variables. However, all variables are not continuous; there are some that can also take in integers are statistically termed as discrete variables (Johnson & Siskin, 1976). If a variable is a consequence of or depends upon other numbers is called a dependent variable, otherwise independent. There has been a lot of effort made to minimize extraneous variables from influencing the research design (Allen, 1978). There has been maximum effort on keeping „control‟ in the research design. The research has used the hypothesis to test if the independent variables can be integrated together to achieve positive components that validates the entire concept of the research (An, Lee & Park, 2008).

After one has successfully defined the research problem, the difficult most portions is preparing research design for the given project (Miller, 1991).

Exploratory research design

They are also called formulative research design and are mainly used in forming problems for specific investigation or the development of working hypothesis with an operational perspective (Anderson, 2001). The design of the research appropriate in case of such studies has to be flexible enough for providing opportunity to consider different aspects in the problem under research (Miller, 1991).

Diagnostic and descriptive research design

Research designs that are descriptive are studies concerned in describing a particular individual‟s characteristics, or that of one group, however research studies that is diagnostic identify the frequency using which there is occurrence of something or the association it has with something different [7]. It shares requirements that are common where the researcher should be able to clearly define, the things researcher wishes to measure and has to essentially find adequate procedures to measure it giving a distinct definition of the population the researcher wants in his study (Daniels, 1983).

Research Propositions

The proposed framework gives some of the intermediate variables related to product and strategic Integration of Banking, Insurance and Tourism which is the basic need of the hour for development of economy due to the technical advancement and rapid changes [7]. The relationship among these sectors and the important variables are reflected in the framework.

Hypothesis-Testing Research Design

Usually studied as an experimental study, this research method does hypotheses test of the casual relation among the variables. These studies essentially need procedures which would not just decrease ambiguity along with increasing the reliability, of course would also allow finding inferences in the matter of the casualty [1].

Research design could be exploratory or descriptive and diagnostic. The research design is exploratory in nature. This is due to the following reasons: -

(i) Its primary objective is to provide insights into and develop an understanding of the problem.

(ii) This study requires defining the problem precisely along with gaining the additional insights before developing the approach in terms of hypotheses formulations (Dihal et al., 2013).

Null Hypothesis: One macro or micro variable is linearly dependent on other macro or micro variables.

Alternate Hypothesis: One macro or micro variable is linearly independent on other macro or micro variables.

Trends of Banking Industry in India

Growth Strategy of Banking Industry- Post Entry of Private Sector

The strategy of growth by allowing the banks from private sectors enter into the industry happened basically to

(a) Help the growth of banking system in its size
(b) Help in meeting the needs of the modern economy
(c) Help extending the coverage area of the banks, and
(d) Improve banking service access [56].

After the entry of private sector in the banking sector industry, greater depth in financial system, soundness and stability has contributed to an overall financial growth. Apart from that, this growth had deepened and broadened the reach for banking. Enabled with access to financial services along with wider distribution, both producers and consumers were enabled with a raised productivity and welfare. This improved the average coverage of population both in rural and urban regions of India [57].

Banking Industry- Technological Developments and its Impacts

Advancements in technology in the banking industry help in:

a. Radical alteration of ways in which the service firms are doing business with their customers (more convenience, new service), at the backdrop of scenes (newer value chains, re-engineering).
b. Creating relational databases of the customer behaviour and needs, and mining of data banks to receive insights [58].
c. Leverage the capabilities of the employees as well as enhance mobility.
d. Centralize the customer service- faster as well as more responsive.
e. Developing global/national delivery system.
f. Creating new business models that are internet based.

Applying IT on the sector of banking can be of benefit for the total industry through:

a. Remote delivering of the services that are information based anywhere, anytime.
b. Feature new service through Email, Websites, Mobile Application and Internet (information reservations [59].
d. Higher opportunities of availing self service
e. Newer types of services.

Information Technology in the area of Financial Services:

a. ATM or Automated Teller Machines
b. Electronic Data Interchange or EDI
c. Expert System
d. Home Banking
e. Mobile Applications
f. Phone Banking
g. Virtual Banking

Banking Industry- A Mass Industry

The banking industry in India is one mass industry. India is thought to be one of the top economies the world has, having tremendous potential in banking sector for its flourishing having a significant surge through its ATM transactions, and internet as well as mobile banking (Harary, Norman & Cartwright, 1965). The banking industry of the country is all prepared for bigger transformation. The style with which it operates is also fast evolving as there is integration of the latest technology in banking industry. Within next 5-10 years, this sector is expected of creating about 2 million fresh jobs, owing to the driven efforts of the Government of India as well as Reserve Bank of India so that financial services can be expanded into the rural areas as well [60].

India‟s banking asset has a size of US$ 1.8 trillion for the Financial Year (FY) of 2013, which would expectedly reach US$ 28.5 trillion by the FY 2025. Bank deposits are found growing at CAGR (compound annual growth rate) of 21.2 percent over the FY 2006-2013. In the FY 2013, there were total were about US$ 1,274.3 billion [20].

There was an increase of revenue of the Indian banks from US$ 11.8 billion to that of US$ 46.9 billion during the period of 2001-2010. The profit after paying tax had gone up to US$ 12 billion from that of US$ 1.4 billion in 2001-2010 periods [61].

In the FY 2014, there was an experience of significant growth in the personal business loans and credit cards with the lenders in private sector. ICICI Bank experienced marked growth disbursement of personal loans in FY 2014, as has been reported by the Emkay Global Financial Services. The personal loan status of Axis Bank has also experienced a growth of 49.8 percent and an expansion of its business in credit cards by about 31.1percent [62].

Banking industry of India has the potential of becoming the fifth largest of global banking sector by 2020 and third largest by the year 2025. These days, banks running in India are trying to turn their focus on servicing clients as well as bringing improved infra-

structure in technology, which has the potential of providing higher customer experience offering them one competitive edge [63].

How Technological Changes Impact the Banking Industry Scenario- ICICI Bank Key Analysis

Three areas of significant development- Electronic Data Transfer (EDT), Imaging Technology, Virtual Banking and Smart Cards- work together and individually in transforming banking role as well as appearance in the society [64].

In technological innovations, ICICI bank is one at forefront in banking. ICICI bank had, with Vodafone launched "M-Pesa" in March 2013, which is one unique service of transferring money as well as making payments using a mobile phone. Presently the bank offers an innovative and unique service of providing basic facilities in banking to millions of its Indian customers who are still dependent on the informal channels to perform their banking functions [65]. There are many initiatives taken by ICICI bank like the "iWish", "Mobile Money", "Instantexpress" and so on that works towards consistent innovation in technology. Developments in technology help in the flow of information that leads to reduced cost, higher customer satisfaction as well as faster decision-making [66].

Scenario of Mobile Banking- Induction Along with Phase Wise Implementing of Different Activities

The greatest limitation that Internet Banking had was, it required a PC with one internet connection, which is not a big thing while considering European and US countries, however, was a big hindrance in considering most of the developing countries in Asia like India and China [67]. Mobile banking has addressed this basic limitation that internet banking has, as it can reduce the requirement of the customer to just one mobile phone. The main reason behind Mobile Banking scoring over Internet Banking is its enabling „Anywhere Banking".

The next stages of foundation saw mobiles being used to receive intimation (SMS/ messages) from banks on different transactions the customer did, but a very limited role for the purpose of intimation [68].

The next stepping stone was introducing mobile banking primarily using the SMS. The launch of Smartphones had created a sort of revolution in the world of banking. Smartphones have now become one of the most widely accepted channels of delivery in all the developed countries [69].

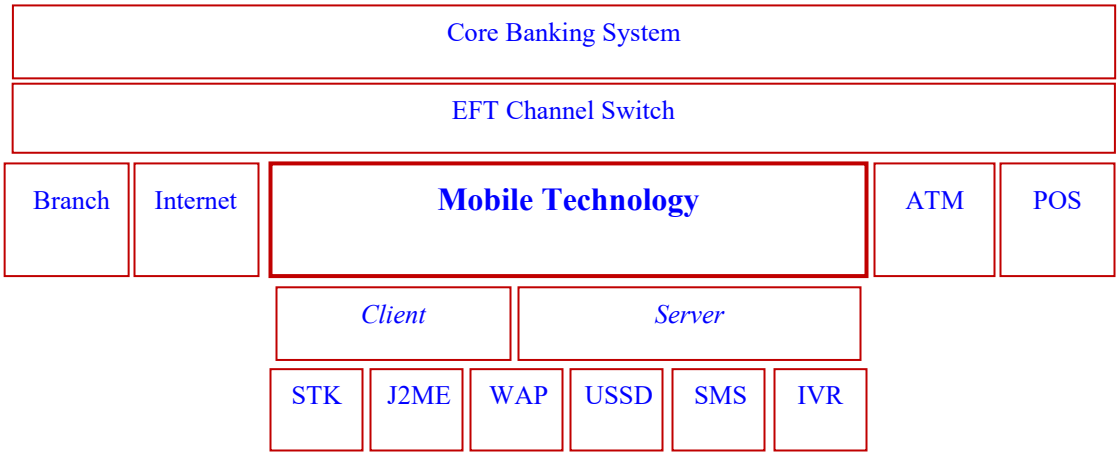


Figure: Mobile Banking in the Complete Architecture of Banking System

Scenario with Mobile Banking- Allowed Banking Sector infringe other Industrial Sectors- Business Segments- An instance with Technology Integration

The combined effects of different technologies on banking industry is even stronger than those of individual effects, as with the changing face of banking, there is an equal shift in core business. Traditionally considering, banking has been within the business of financial services; and rather precisely has been into the loan and saving business (stating it coarsely) [70]. The competitive environment along with the changes in the technology, when combined with the regulatory environment changes, help in widening the financial focus in banking to include insurance services and investment securities. However a greater impact could even be the banking shift to being information processor [71].

Smart Cards (Internet with it), EDI, Imaging technology along with other types of technological advances have placed the banks in the post of becoming effective organizer, disseminator, and producer of information in the society [72]. A bank could either work with one individual company (or one industry) in developing information, financing system and payment that is most appropriate for the said business [66].

Change in Banking Scenario- Studying the Power that Integration of Service Sector with Tourism, Insurance and different Service Industries brings

The aspect has been explained well in detail where financial institution offers various other services through either mobile or internet application. This happens to be the integration mechanism for many varied services sectors. In totality the technology plays one key role towards this integration helping the customer book different kinds of services with just one click. Hence, one can find that the advancements in technology has changed the banking scenar-

io, changing from traditional form of manual deposit and system of withdrawal to that of the integrated mobile or internet service applications. This is the proof that services have power in the integration of service sector [67].

Industry of Integrated Service Sector and its Future- Main developments in Present Scenario

In cultivating of Future Internet, which gets underpinned by the "horizontal" services that is supportive as well as allowing a good variety of the "vertical" services that are consumable in the different enterprises with service provisioning, the recommendation is:

- To take a holistic approach for Future Internet keeping in mind the Technology (how it interacts), Business models as well as service information/content (Applications Research).
- The present technology baseline in case of business units is not to be displaced, however, extended and harnessed so that the underpinning of Future Internet can be consolidated. In certain specific Enterprise SOA has to be extended and enriched by the descriptions of semantic service, capability of next generation delivery of service, and engineering and service innovation that is community driven [73].
- Both the long and middle term trajectory is to be taken for Future Internet, seeking on one hand successful ventures that are quick win, at the same time increasing in the sophistication of service provisioning, mainly for B2B as well as coupling of the Internet of Things and Internet of Services, on another hand.
- The vertical application of national strategic cross is identified and the modes of bringing at one place the main industries to the centre are fostered [74].

There are extreme challenges that the service sector confronts because of this sector"s growth as well as the achievement of limited gains in productivity that has been achieved until now. To cope to these challenges as well as has been proven by other sectors, more innovation and research could make further contributions to a service industry that is web-based and is able to flourish over the horizontal services that is offered by Future Internet [75].

The gaps in industry integrated sector needs to be filled as quickly as possible in order that the service sector integration can get thoroughly implemented taking help of the technology. Leaving certain sectors (Tourism, Insurance, and Banking), there are some sectors unable of adopting technological advancements [76]. The younger generation having advanced skills need to get used for the process of transformation, however, has a hindrance in the form of lacking in necessary policies. The developments in technology have gone beyond imagination and are way above the perceptions of various organizations/companies in the service sector [55]. Technological and infrastructural developments have to be matched with the awareness and role of the visionaries along with policy makers [72].

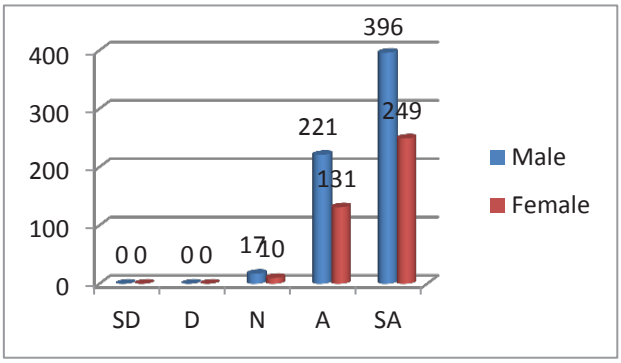
The complete product growth and performance would happen by adopting the technological developments in service sector, and the main elements in the process indicates clearly the service integration in the best manner. The integration might happen through a technology which is product based as well as is a strategic integration [65].

Descriptive Statistics

Gender-wise Response to Banking Product Performance

Making a sample study of 1024 respondents on the effects of banking variables on integration with Tourism and Insurance, from the following Chart we can observe that there are no women and men who disagree to the Mobile and Technology integration With Banking, 10 women are neutral to the integration and 17 men who have neutral opinion, 131 women agree to basic integration of mobile and 221 male have the same opinion, there are 249 women who strongly agree to the technology integration with banking and 396 men agree strongly.

Gender-wise Response to Banking Product Performance



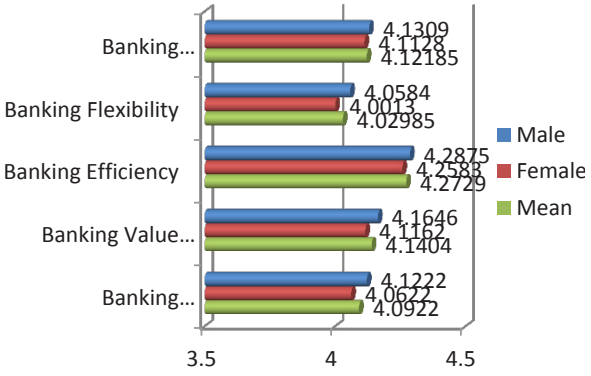
Gender-wise Response to Banking Product Performance

SD	0
D	0
N	27
A	352
SA	645

Banking Product Performance

The Five key factors that influence Banking are Product Benefits, Value addition, Efficiency, Flexibility, and Deliverance. From the graph, it has been observed that, among the five banking factors, Efficiency factor has high influence on Banking.

Gender-wise Mean Values of Micro Variables of Banking



Gender-wise Mean Values of Micro Variables of Banking

Banking	Male	Female	Mean
Banking Integrated Product Benefits	4.1222	4.0622	4.0922
Banking Value Addition	4.1646	4.1162	4.1404
Banking Efficiency	4.2875	4.2583	4.2729
Banking Flexibility	4.0584	4.0013	4.0299
Banking Deliverance	4.1309	4.1128	4.1219

Model Validation

Banking Product Performance

The Micro Variables of Banking Product performance is Banking Integrated Product performance, Value Addition, Efficiency, Flexibility and Deliverance. The correlation coefficient between these values indicates a positive relation between these variables. The correlation between Integrated Product Benefit and Value Addition is 60 percent, between Integrated Product Benefits and Efficiency is 58 percent, between Integrated Product Benefit and Flexibility is 47 percent, and between Integrated Product Benefits and Deliverance is 61 percent. Similarly, the correlation between Value Addition and Efficiency, Flexibility, Deliverance are 59 percent, 59 percent, and 62 percent respectively; the correlation between Efficiency and Flexibility is 53 percent, and Efficiency and Deliverance is 50 percent. Similarly, the correlation between Flexibility and Deliverance is 53 percent.

Correlation Coefficient between Micro Variables of Banking Product Performance

	Banking Integrated Product Benefits	Banking Value Addition	Banking Efficiency	Banking Flexibility	Banking Deliverance
Banking Integrated Product Benefits	-	.601**	.577**		.611**
Banking Value Addition	-	-	.586**	.585**	.619**
Banking Efficiency	-	-	-	.526**	.498**
Banking Flexibility	-	-	-	-	.529**
Banking Deliverance	-	-	-	-	-
**. Correlation is significant at the 0.01 level (2-tailed).					

Banking Product Performance

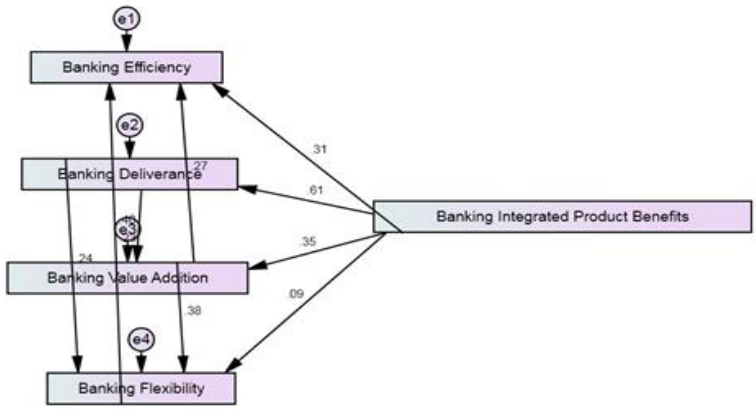
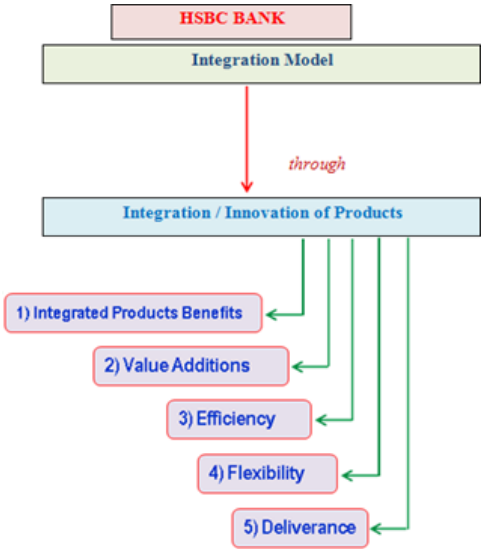


Table: Key Observations

Index	Desired Statistics	Values for Micro Model
CMI/DF	Recommended value =<3	1.936
GFI	>0.90	0.999
RMSEA	<0.08	0.03
CFI	>0.90	1
NFI	>0.90	0.999
P value	Should not be significant (>0.05)	0.164

All the threshold parameters of the micro variables for the macro variable Banking Product Performance are satisfied. Using the Structural Equation Modelling on the different micro variables of Banking Product Performance, the above mentioned values were found.

Case Study- HSBC Bank



Integration Model of HSBC Bank

Introduction

Here we are providing a detailed study of HSBC bank based on Integration Model through innovation of service sectors products (majorly Tourism, Banking and Insurance) in regards to fixed benefits, value additions, efficiency, flexibility and deliverance of products to customers.

Table: Questions Asked and Findings According to the Feedback Received from HSBC

	Questions	Findings
HSBC-Banking Industry using Integration Model	Q1- Value additions to banking products play key role in customer‟s mind while selecting products using Mobile Application. Q2-The technology advancements are adding values to the banking products. Q3- The customer takes maximum stake through in time deliverance of banking products through advanced technological changes. Q4- Integration of different services sectors can add more values to banking products while purchasing in the form of “Services Under One Roof”.	Adding to banking and leisure travel services, HSBC bank is offering different Wealth Management (Investment and Insurance) services to its customers is widely popular now-a-days and people travelling domestic or abroad, prefer their travel insurance. Now-a-days with the help of technological advancements, different financial institutions have started entering into different other business sectors and providing services under one roof. The customers are also getting benefits by different discounted offers given by the banks and paying the services cost directly from their saving or current account in the bank reducing hassles for the customers.

How Integration of Tourism, Banking and Insurance Can Be Possible

From service sector integration point of view travel and insurance products can be displayed like FD / RD for bank customers in their login modules, direct product booking should be available in bank user‟s login module and direct debit facilities should be provided. This will facilitate the banking services, insurance services and travel services under one login. Also with the help of this integration our rewards points can be utilized directly in our travel planning. This can be a value addition to the customers.

Business Opportunities

This will definitely increase the business opportunity for HSBC bank as the customers will be able to make their bookings online. It will be more like one is increasing number of products in one’s shop with flexibility of purchasing a combination of services in one shot.

Business / Economic implications and other hurdles

Major hurdle in integration of travel services with the bank‟s website is to provide best negotiated accommodation rates, well planned tour packages on it. It requires experienced manpower,

policy planning as well as strategic line of execution.

Concluding Remarks

After taking considerations right from the historical background of banking industry, which it has followed, it can be found that the history of modern banking can be traced back to 1787 when General Bank of India was established and saw a further fast paced growth. A whole table for the growth indicators of the different major Indian Commercial Banks also shows the kind of developments that have taken place in the economic arena of this country. While the secondary analysis details about the growth and developments that banks have had right from their manual stages to the period where technology has placed a capable footage on its function, further advancements in the technological applications through the mobile phones mainly has taken the results of this industry into exponential heights. This has resulted into the integration of several allied services with it, thanks to the applications in Information and Communication Technology (ICT).

The Univariate analysis on a survey conducted countrywide identifies the micro variables of Banking Product Performance finding a positive correlation with the using the Structural Equation Model and finding the required Beta value for its validation. Further, the case study on HSBC bank shows that the integration model brings out the innovation or integration of the products. The five constructs found of Banking Product Performance are Integrated Product Benefits, Banking Value Additions, Banking Efficiency and Banking Deliverance. It can be further said that with advances in technology, different financial institutions have started entering into other services sectors and helping in the entire process of service integration.

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