IJARSCT
ISSN (Online) 2581-9429
International Journal of Advanced Research in Science, Communication and Technology (IJARSCT)
Impact Factor: 5.731
Volume 12, Issue 5, December 2021

Review Paper on Analysis and Growth of E-Banking

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Abstract: *Internet banking is revolutionising the financial sector and has a significant impact on banking relationships. Banking is no longer limited to physical locations where customers must go in person to withdraw cash, deposit checks, or get account statements. Any query or transaction is handled online in real Internet banking at any time without involving a branch (anywhere banking). Offering Internet banking is less of a "nice to have" service and more of a "need to have." Because it is the most affordable means to provide financial services, net banking is now more of a norm than an exception in many developed countries. This research paper will give you an overview of e-banking, including its definition, purposes, types, benefits, and drawbacks. It will also demonstrate how e-banking affects conventional services, and it will end with the recording of the results.*

Keywords: Traditional banking services, E-Banking, Functions, Benefits, and Limitations.

I. INTRODUCTION

Any user with a personal computer and a browser can access to his bank's website to carry out any of the virtual banking operations via internet banking, often known as E-banking. The bank's centralised database is web-enabled and is available through the internet banking system. The menu lists every service that the bank has made available online. Once a bank's branch offices are linked together by terrestrial or satellite networks, each branch will lose its distinct physical identity. It would be a borderless organisation that allowed banking at anytime, anywhere.

The intranet of an organisation is the network that links its numerous sites and provides connectivity to its central office. These networks are only available to the companies for which they were created. An actual instance of an intranet application is SWIFT. Consumers can profit greatly from e-banking in terms of transaction cost and convenience, whether they use the Internet, the phone, or another electronic delivery method. One of the most important technology advancements in the financial sector is electronic finance, or "E-finance." E-finance is the use of the internet to provide financial services and market computing and electronic communication. E-payment, e-trading, and e-banking are all examples of e-finance in practise.

II. AN OVERVIEW OF E-BANKING

The term "e-bank" refers to an electronic bank that offers online financial services to a single client.

III. FEATURES OF E-BANKING

The personal e-banking system now offers the following services: -

A. Inquiry Regarding Account Information

The client downloads the report list and asks about the specifics of his personal account information, including the card's or account's balance and the account's complete historical records.

B. Charges to Card Accounts

The customer can transfer money to a credit card belonging to someone else in the same city.

C. Transfer of Bank-Securities Accounts

The customer can move money between his personal bank savings account, personal credit card account, and personal capital account with the securities firm. The customer can also ask about the current balance in real time.

D. The Exchange of Foreign Words

According to the exchange rate provided by our bank on the internet, the client can trade foreign exchange; cancel orders, and request information regarding foreign exchange transactions.

E. B2C Disbursement on the Internet

When a customer shops on the designated website, they can do a real-time transfer and receive payment feedback from our bank.

F. Customer Service

The customer can change their login password, credit card details, and client information in e-bank online.

G. Management of Accounts

The customer can alter his own login information, freeze or delete some cards, and other restrictions on his rights and the status of his registered account in the personal e-bank.

H. Loss Reporting if the Account

When the customer's credit card or passbook is lost or stolen, the client can report the loss locally (not nationally).

IV. TYPES OF E-BANKING

1. Using an ATM to make deposits, withdrawals, inter-account transfers, and payments between connected accounts;
2. utilizing debit cards or smart cards to pay for products and services without needing to carry cash or a chequebook;
3. Making balance inquiries, inter-account transfers, and linked account payments over the phone using direct banking;
4. Making balance inquiries, inter-account transfers, and pay related transactions using a computer to conduct direct banking

V. BENEFITS OF E-BANKING

1. Account information, including the current balance and a rundown of the day's transactions.
2. Fund Transfer: Use our online hand transfer method to efficiently manage your supply chain network. We are able to transfer money across the bank locations in real time.
3. Request: Submit an online banking request.
4. Downloading account statements in text or excel format.
5. Clients may also make the following requests via the web: Registration for daily, weekly, fortnightly, or monthly email delivery of account statements.
6. Demand Drafts or Pay Orders, Opening a Fixed Deposit Account, Opening a Letter of Credit, Stop Payments or Cheques, Refilling Cheque Books, Opening a Demand Draft or Pay Order.The system can be integrated by customers with their own ERP.
7. Bill Payment via Online Banking
8. The Electronic Mall
9. Making personal investments via online banking
10. Purchasing mutual funds
11. Online Initial Public Offerings

VI. E-BANKING: LIMITATIONS

1. Risks associated with ATMs.
2. Fraudsters using stolen bank cards at ATMs.
3. The risk of using your card number for online purchases.

VII. EFFECT E-BANKING ON TRADITIONAL SERVICES

More affordable than branch or even phone transactions are e-banking transactions. A vast branch network, which was formerly a competitive advantage, may now be seen as a comparative disadvantage, allowing online banks to undercut traditional banks. The "beached dinosaur" notion is the name given to this idea.

Since e-banks are simple to start up, many new competitors will emerge. Systems, traditions, and institutions from the "old world" won't burden these newcomers. They will instead be flexible and responsive. With e-banking, customers have a lot more options. There will be a decline in customer loyalty. Providers of portals are perhaps the ones who gain the most from the banking industry. Indeed, banks might transform into glorified matchmakers. Simply said, they would unite two parties, such as a buyer and a seller or a payer and a payee. Experts in their area, monolines will give the goods. Traditional banks may be left with nothing but even this in the payment and settlement business could be questioned.

It will be challenging for traditional banks to change. They won't be able to buy things with cash rather than by selling shares, and they won't be able to borrow money from the stock market either. In contrast, it appears to be quite simple to get funding for Internet-based businesses.

An e-bank has expensive startup expenses. Building a reputable brand is quite expensive because it involves spending a lot of money on advertising and purchasing pricy equipment (as security and privacy are key to gaining customer approval).

Retail banking only turns a profit after a significant critical mass is reached, as e-banks have already discovered. As a result, a lot of online banks are restricting their services to those who can afford it. To communicate with banking customers, an interface is required for e-banking transactions. All electronic transactions are carried out via various interfaces.

Electronic banking delivery channels are the machines that interface with consumers and communicate with other financial systems.

VIII. CONCLUSION

E-banking is a global phenomenon that enables anytime, anywhere, and any way banking. With all the features and numerous benefits compared to regular banking services, this helps us. E-banking is simply banking that is delivered through a new channel. Customers are just provided with another service (just as ATMs did). The future of banking appears to be "clicks and mortar," according to experience in Scandinavia, which is undoubtedly the most technologically sophisticated region for e-banking. Customers desire full service banking through various delivery methods. Martini Banking is therefore the way of the future (any time, any place, anywhere, anyhow). Traditional banks are beginning to respond. Controls that could reduce or eliminate the risks that have been identified are supplied during this stage of the process, depending on how well they suit the operations of the company. The proposed measures are designed to lower risk to an acceptable level for the IT system and its data.

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