

# A Cram on the Shortcomings of Internet Banking

Kiruthiga.V<sup>#1</sup>, Magesh.R<sup>\*2</sup>

<sup>#</sup>Department of Management Studies, Anna University. Guindy, Chennai, India

## Abstract

*A convenient and comfortable form of banking which can be performed from home to or office is referred as internet banking. In contrast with the traditional branch banking, the internet/ online banking is directly connected to core banking. All the services including bill payments which are available in a local bank branch can be conducted through online banking. Although there are many advantages associated with internet banking, nothing comes without a disadvantage. The author emphasizes on three disadvantages, namely, safety, concerns towards the site and user-friendliness of online banking.*

**Keywords** — Internet banking, safety, site, user-friendliness

## I. INTRODUCTION

The banking technique in which the financial transactions of the customers can be conducted through the electronic payment system enabled by the bank is referred as internet banking. In contrast with the traditional branch banking, the internet/ online banking is directly connected to core banking. All the services including bill payments which are available in a local bank branch can be conducted through online banking.

The banking facility paves way in performing various account transactions and in managing accounts through internet directly with the bank. Although there are many advantages associated with internet banking, nothing comes without a disadvantage. The author emphasizes on there disadvantages, namely, safety, concerns towards the site and user-friendliness of online banking.

## II. SHORTCOMING OF INTERNET BANKING

### A. Safety

The customers are not guaranteed with hundred percent safety, although, to conduct the transactions in business, secure web pages are offered by banks. There are too many hackers whose job is to gain access to the customer's personal and financial information irrespective of the security provided in the web page. This may result in the fraudulent use of customers identity resulting in the loss of lakhs of money. Hacking of account by unauthorized people is unavoidable. Identity theft is a serious issue, when the

information is hacked it is irreversible for many years. Sometimes mails are sent to the customers to get information such as account numbers and passwords. This may result in the transfer of money from the customers account to the hackers account.

Although banks assure that their internet banking is secure, there have been plenty of hackers who are stumbling the details of the customers. If the banks are confident about their security, then they should not hesitate to provide guarantee on direct debit by the way of returning the hacked fund immediately and then investigate the issue. But so far none of the banks are accepting it. So, this means that they don't have trust in their own security system. This implies that cyber crime is a serious issue and in fact only twenty five percent of cyber crime cases has been resolved.

### B. Concerns Towards the Site

The website of banks sometimes go offline due to technical issues leading to a problem when the customers wish to do immediate transactions. And sometimes during site maintenance, it is not possible to do transactions even in emergency business needs. And navigating through the website for beginners is really difficult. Sometimes they get irritated to navigate through various steps to do a single transaction. And now-a-days banks add new features and update their websites leading to additional learning. For urgent requirements with regard to the transaction process, the customers should again have to encounter a lengthy wait in customer service line. New customers to online banking may face some difficulty because only few banking websites gives demo on banking while others make the customers to navigate through the website. When the server goes down, the transaction of customers becomes standstill. Sometimes it is difficult to find whether the transaction is successful or not. It may be due to poor connectivity, server down or slow network connection. But without knowing this the customers may perform repeated transactions which eventually fail. Some banks cannot operate on Apple Macbook. Relevant operating system is required to do banking. If a bank does updation on its browser the customers have to spend time and effort to update their browser in order to perform future transactions.

### C. User-friendliness

The accessing to the internet in the rural areas is very difficult. And this issue is faced by

many rural entrepreneurs. Now-a-days many home based business are operated and they are facing slow connectivity problem as they do not have access to high speed internet connections leading to a delay in the transactions performed. And sometimes poor connectivity denies them from transactions.

Doing transactions in online does not imply that everything will happen immediately. The parameters of banking online are similar to traditional banking, So even when the transactions are performed online, it is essential for the customers to take print out of the receipts. Many illiterates and people who lack technical knowledge cannot able to use online banking. People who have internet connection and computer/ lap-tops/ smart phones can transact using internet.

During busy or peak hours especially in the evenings it is really difficult to perform online transactions. Computer memory also affects the speed in performing the banking activities. Now-a-days many banks are offering online chatting services and customer service numbers to resolve issues related to online banking for their customers. But this is not at all equivalent to the service the customer gets by banking physically in a bank. Because there the customers can discuss issues related to financing, different types of loans and interest rates,

### **III. CONCLUSION**

A convenient and comfortable form of banking which can be performed from home to or office is referred as internet banking. Any new technical advancement will surely have its pros and cons. Online banking us undeed a great technical milestone. Customers can enjoy the benefits of internet banking if they take utmost care in safeguarding their financial and personal information.

### **REFERENCES**

- [1] Safe Internet Banking". GOBankingRates. FDIC. 2017-02-11. Retrieved 2016-07-20.
- [2] Cronin, M. J. (1997), Banking and Finance on the Internet, Toronto: John Wiley and Sons
- [3] Lampson Butler W. Computer Security in the Real World, Annual Computer Security Applications Conference, 2000