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EXAMINING THE ROLE OF INTERNET BANKING IN SOCIETY

Summary

Recently, in connection with the Covid-19 pandemic, the importance of technology has become better understood in society. This has manifested itself in the banking sector as well as in other fields.

The banking sector is one of sectors that uses information and communication technologies intensely.

The purpose of this research is to estimate the factors influencing the use of internet banking and the level of its acceptance by society.

As a consequence of the study, the most important factors affecting the use and adoption of internet banking have been determined to be ease of use, convenience and effectiveness.

The users of internet banking services have preferred to use it due to saving the time, available for 24 hours, rapid and convenient. But the reasons people who do not choose internet banking are that they do not find it safe and not to believe, they consider more confident to do banking application at the bank department. In this regard the research define that advantages and threats of internet on the banking sector.

Key words: *internet banking, online banking, internet technologies, consumer perception*

İnternet bankçılığının cəmiyyətdə rolunun araşdırılması

Xülasə

Son dövrlərdə Covid-19 pandemiyası ilə əlaqədar olaraq texnologiyanın əhəmiyyəti cəmiyyət arasında daha yaxşı dərk olunmağa başladı. Bu da özünü digər sahələrdə də olduğu kimi bank sektorunda da büruzə verdi.

Bank sektoru informasiya-kommunikasiya texnologiyalarından intensiv istifadə edən sektorlardan biridir.

Bu tədqiqatın məqsədi internet bankçılığından istifadəyə təsir edən amilləri və onun cəmiyyət tərəfindən qəbul olunma səviyyəsini öyrənməkdir.

Tədqiqat nəticəsində internet bankçılığından istifadə və mənimsənilməsinə təsir edən ən mühüm amillərin istifadənin asanlıq, rahatlığı və effektivliyi olduğu müəyyən edilmişdir.

İnternet bankçılıq xidmətlərindən istifadə edənlər vaxta qənaət, 24 saat əlçatan, sürətli və rahat olması səbəbindən onu istifadə etməyə üstünlük verirlər. İnternet bankçılığını seçməyən insanların səbəbləri isə onu təhlükəsiz hesab etməmələri və inanmamaları, bank şöbəsinə müraciət etməyi daha inamlı hesab etmələridir. Bu baxımdan araşdırma internetin bank sektorunda üstünlük və təhdidlərini müəyyənləşdirir.

Açar sözlər: *internet bankçılığı, onlayn bankçılıq, internet texnologiyaları, istehlakçı qayrayışı*

Introduction

Banking is one of the fields where use technology intensively in the service sector. Due to the development of technology, banking services have been recorded more improvement. Thanks to electronic banking, customers can find various alternatives without going to departments. They can easily realise their banking transactions by using distribution channels.

Internet banking is an alternative that banks suggest to their customers.

Banking service provides banking transactions to be made over the internet. With the help of internet banking, transactions are made more conveniently and easily.

What is internet banking?

Internet banking, from customer banking services, at any time, to be able to withdraw and deposit cash from anywhere is to be able to take advantage of it.

Internet banking, which is a new style of banking concept, for bank customers banks are more efficient by reducing their dependence on physical spaces will prepare the ground for them to work. Internet banking, remote distribution channel is the provision of banking services over the Internet (Akkılıç, 2005). Internet Banking, convenience, product variety, low transaction cost, the most attractive distribution for both consumers and banks with advantages such as fast information exchange.

All kinds of physical branches since the transaction can be provided free of charge from these virtual branches, today's banks do not hesitate to invest in the communication environment (Harvest, 2001).

Internet banking services offered by banks through their web pages. It is possible to list the services as follows. These are:

- Account Openings (time, demand, investment, etc.)
- Money Transfers (remittance, EFT, automatic remittance instructions)
- Investment Transactions (such as repo, mutual funds, stocks, foreign exchange, treasury bills)
- Payment Transactions (invoices, taxes, traffic, university fees, etc.)
- Credit Card Transactions (all kinds of credit card debt payments)
- Application Procedures (account opening, credit card request, automatic payment order giving, etc.)
- Information Services (all instant and retrospective information about your accounts).

Its greatest advantage that the fact that transactions are largely non-physical. In this way, costs can be reduced and better delivery of services is possible.

The advantages of internet banking for banks

By using the possibilities of high technology to the fullest, banks closely analyze their needs and changes and respond to these needs.

They use software resources to provide in this way, customers create alternative distribution channels for transportation. One of the most important of these channels are undoubtedly internet banking.

The internet, which can also be defined as a new distribution channel, is used by banks.

It is generally used for two purposes:

- Complex products of similar quality at lower costs to more potential customers to present products;
- To provide uninterrupted accessibility regardless of place and time.

Transaction costs in branches are the most expensive for banks. ATM, telephone and finally, with internet banking channels, these costs has been reduced to a certain extent.

This decrease in costs is the intensity of consumers' use of these channels was formed with the increase in the number of individual and corporate customers using internet branches and the continuous growth of the transaction volume made the top managers of the banks extremely pleased. The cost of a transaction \$2 at the branch, internet banking can go as low as 10 cents. These transaction costs are \$0.54 in telephone banking, it is stated as \$0.27 for ATMs.

The advantages of internet banking for customers

Internet banking is the transfer of the computer used by each customer to a bank branch transforms. Customers can use a computer and internet connection 24 hours a day, 7 days a week benefits of banking services. Internet banking, provide to get the actual information the customers about their accounts and the topics they want to learn.

Threats of internet banking

Possible risks/threats of internet banking, possible risks/threats for banks and it is divided into two as possible risks/threats for customers.

Possible Risks/Threats for Banks

Possible risks/threats for banks:

- Increasing (Cross-Border) Competition,
- Reduction in Revenue (Commission) Sharing,
- Restructuring Necessity.

Increased (Cross-Border) Competition

Reducing geographical restrictions with internet banking, on the other hand, cross-border paves the way for increased competition. Competition in classical banking applications is starting to happen even banks that do not create a threat and that are not very widespread have a say through the internet. This reduces customer loyalty.

Restructuring Necessity

The use of internet banking widespreadly, the cost of banks incur some pollution in pricing. From branches, ATMs, telephone commission amounts taken from banking and internet banking are different.

Pricing is an important competitive element for banks. Alternative providing low-cost services in channels pressure to lower their prices. In order to position internet banking in the eyes of customers, banks have to take into account development and promotion costs. These costs will be covered at certain rates with each customer who starts using internet channel.

Possible Threats/Risks to Customers

Possible threats/risks for customers:

- Technology Phobia
- Inclusion of Personal Information
- Security – Confidentiality
- Legal – Legislation Gap

Technology Phobia

Internet banking is significantly difficult can be perceived for people with a "technology phobia". As bank customers who want to benefit from internet banking at least moderate computer knowledge is required. Your customers electronically - although not necessarily - to be aware of innovations and developments, also must have a mail account.

Inclusion of Personal Information

Customers must go to the department to open an internet branch account and must complete the necessary steps. At this stage, some personal information should be given to the bank. There may be problems in transferring this information to the system, on the other hand a technological change by the bank, a change in the software.

Security – Privacy

One of the most important reservations in internet banking is the risk of accessing personal information by third parties. Banks are busy in this regard, continues to work, constantly checking their technological structures and safety levels are updating. In a counter-interactive environment, the customer receives personal information to remain confidential in the business, from the order price given in the payments to be made by credit card withdraw more or an order price that does not belong to him concerned about such matters.

Legal – Legislation Gap

There is a state of uncertainty and confusion to both commercial and non-commercial activities in the counter-interactive environment.

Technological innovations in classical law lagging behind causes some problems. Technological developments speed pushes the scope of classical law. Unfortunately, this area, which we can call the internet environment, there is no generally accepted legislation in the world yet.

Possible Affecting Consumer Behaviors in Internet Banking Elements

The customer's perception of this distribution channel is the key to the desired development of internet banking.

According to Taylor and Russel (2003) quality dimensions affecting customer satisfaction include:

- *Time*: From the customer's point of view, timely service is received;
- *Completeness*: Meeting all the requirements of the customers;

- *Politeness*: Employees treat customers in a friendly and friendly manner;
- *Consistency*: The level of consistency of the service in each transaction provided to the customer;
- *Accuracy*: Services are error free;
- *Responsiveness*: Always willing and ready to assist the customer.

Results and suggestions

As a result of the research, the following results can be predicted:

1. Risk management
2. Risk assessment
3. Incident monitoring and accountability
4. Security measures and control over their implementation
5. Tracking operations User identification and information
6. Attempts to log in to the system, a session on the operation of the system expiration date and authentication validity
7. Protection of payment information

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