

E-Banking Business Opportunities

On-Line Distance Learning
Course

Module 2

ETHAN *Hathaway*
Knowledge & skills that make you valuable

E-Banking Defined



E-Banking Modules

- ▶ The Face of E-Banking
- ▶ **E-Banking Defined**
- ▶ E-Banking Innovation – Trends & Directions
- ▶ The Transition to E-Banking
- ▶ Mobile Payments
- ▶ Mobile Payments Technology
- ▶ Reasons for M-PESA's Success
- ▶ From M-PESA to ApplePay
- ▶ Risk Management in E-Banking
- ▶ BIS Risk Management Principles
- ▶ Innovations in E-Banking
- ▶ Product Development
- ▶ Operating Strategies & Management Models
- ▶ Examples of E-Banking Developments
- ▶ Today's Top Mobile Banking Apps
- ▶ Standards for Mobile Payment Acceptance
- ▶ The Future of the Bank Branch
- ▶ The Future is Now!
E-Banking / Digital Banking
- ▶ Most Innovative Banks

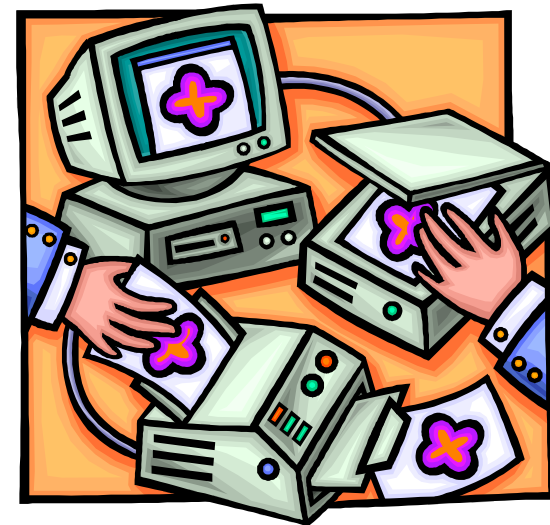
E-Banking Defined



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Definition of e-Banking

- ▶ *The automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels*
- ▶ Bank customers, individuals or businesses
- ▶ What E-Banking Permits
 - Access accounts
 - Transact business
 - Obtain information
- ▶ Access devices
 - Personal computer (PC),
 - Tablet
 - Personal digital assistant (PDA),
 - Automated teller machine (ATM),
 - Kiosk,
 - Smartphone



Informational Websites



- ▶ Informational websites provide customers access to general information about the bank and its products or services
- ▶ *But they increase risk of...*
- ▶ Potential liability
- ▶ Potential access to confidential bank or customer information
- ▶ Potential liability for spreading
- ▶ Negative public perception

Transactional Websites..1

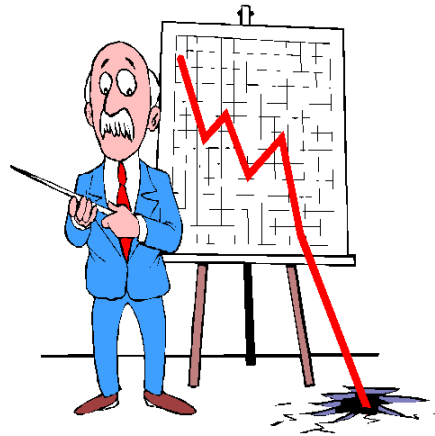


- ▶ Transactions via financial institution's website
- ▶ Basic (retail account balance inquiry) to complex business-to-business funds transfer
- ▶ Enable electronic exchange of confidential customer information and transfer of funds – carry higher risk than basic informational websites

- ▶ Providers of e-Banking services must consider
- ▶ Security controls for safeguarding customer information
- ▶ Authentication processes necessary
- ▶ Liability for unauthorized transactions

Transactional Websites..2

- ▶ Losses from fraud
- ▶ Possible violations of laws or regulations
- ▶ Negative public perception, customer dissatisfaction, and potential liability



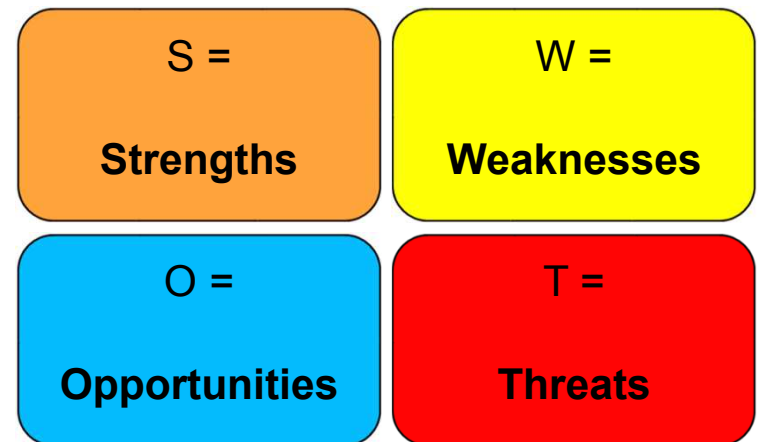
Wireless e-Banking

- ▶ Wireless banking is a delivery channel
- ▶ Customers access to bank's network(s) using
 - mobile phones
 - pagers
 - personal digital assistants (or similar devices)
- ▶ Services supplement bank's e-banking products/ services



SWOT Exercise – Examining the Pros & Cons

- ▶ SWOT matrix is a management four quadrants model.
- ▶ You use each of the four quadrants in turn to analyse where you are now, where you want to be, and then make an action plan to get there.



Exercise

- ▶ Step 1 – In the here and now...
- ▶ Step 2 – What might be...
- ▶ Step 3 – Plan of action...

- ▶ In essence–
- ▶ Strengths need to be maintained, built upon or leveraged
- ▶ Weaknesses need to be remedied or stopped
- ▶ Opportunities need to be prioritised and optimised
- ▶ Threats need to be countered or minimised

Scenarios to be Analyzed

1. *Allowing access to accounts for Transacting business, and vs. Obtaining information (Transactional sites vs. Informational)*
2. *Allowing access via Personal computer (PC), vs. Wireless channels (cellular phones, pagers and personal digital assistants)*

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Session End

