

## Improving Services of Banking Applications Through E-Commerce

*There are many advantages when there is use of e-commerce, such as catalog flexibility and fast online updating, lower competitive gap, unlimited market place and business access, lower cost for business, and easier business administration. First the flexibly and fast online updating, it gives a direct linking capability to view other websites have developed, then for catalog, we can update it anytime when there is a new product or price changes without reprinting physically which cost higher. With the existing and the use of e-commerce, the competitive gap has been reduced because using e-commerce to conduct a business, the ability to reach customers has increased and able to reach customers globally. By applying e-commerce, new businesses does not need to compete equal footing such as number of retail stores with bigger companies. There are three aspects in which e-commerce can affect banking and finance. First, banks and financial firms can use the technology and business practice of e-commerce to market their products to the customers. Second, e-commerce provides a business opportunity for banks to offer new products and services to serve the needs of e-commerce. Third, the new business environment associated with e-commerce provides opportunity for institutional innovations in banking and finance, which can help to lay a sounder foundation for the international financial system.*

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### Concept of Mobile Banking :

Mobile banking is a system of providing services to a customer to carry out banking transactions on the mobile phone through a cellular service-provider. Banks have to provide facilities to their customers whenever they are in need and wherever they are. We can rather call this facility as "Anywhere and any moment banking", but it is restricted to only information about a person's account and not the cash services.

Mobile banking operates through short messages. Customers have to, therefore, configure Short Message Services (SMS). They have to activate Mobile Massaging Service (MMS) in the mobile phone.

Mobile banking is one of the important channels through which the customers can be migrated from front office operations to indirect channels, in order to save their valuable time as also that of the executives working in the bank. The time saved can be effectively utilized for business development and cost reduction. Cellular phones have gained so much prominence in the present day life that a person cannot survive without this communication channel. Once upon a time, a mobile phone was a luxury, but now it is a necessity.

In every state, the number of customers using cell

phones has increased to unexpected levels. At least 70% of these customers have bank accounts in various bank which uses technology and avail themselves of mobile banking services. Therefore, banks have chosen mobile banking as one of the best methods for channel migration of customers. Customers are also pleased to have these services.

### Facilities Available on Mobile Phone Banking :

(1) **Balance enquiry** : The service provides the customers, the available balance in his /her default/operative account that are linked to the customer identification number. The maximum number of accounts one can access is five.

(2) **Cost Transactions** : This type of transaction provides the customer with the information about last five debits/ credits made to the account.

(3) **Cheque Book Request** : Instead of going personally to the bank, the customer can request for a cheque book to be mailed to his or her address as per the records of the bank. This saves his or her valuable time.

(4) **Bill Payment** : For those companies which register with the bank for this service, the payment is made on request on mobile phone banking.

(5) **Change of Primary Account** : The customer has the

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