Lecture (2)

- **E commerce**
- **concept of electronic banking**
- **services this include: online banking: ATM and debit card services**
- **phone banking SMS banking**
- **electronic alert**
- **mobile banking**

1. E-commerce

E-commerce is the process of buying and selling goods, services, and information over the internet or other digital networks. It includes:

Business-to-Business (B2B): such as raw material sourcing platforms.

Business-to-Consumer (B2C): such as Amazon or Alibaba.

Consumer-to-Consumer (C2C): such as eBay platforms.

Source: Chapter 1, Section 1.1 (16th Edition, 2020).

2. Electronic Banking

The delivery of financial services through electronic channels without the need to visit bank branches. It relies on:

Financial technology (FinTech), such as payment applications and blockchain.

Integration with traditional banking systems to ensure security and liquidity.

Source: Chapter 9, Section 9.3 (16th Edition).

3. E-Banking Services

A. Online Banking

Advantages:

24/7 access to accounts, transferring funds, and paying bills.

Investment and loan management.

Technologies: Data encryption (SSL/TLS), two-factor authentication (2FA).

Source: Chapter 9, Section 9.4.

B. Automated Teller Machine (ATM) and Debit Card Services

ATM Functions:

Cash withdrawal, check deposit, and balance check.

Debit cards: Directly linked to bank accounts, with chip-and-PIN protection.

Source: Chapter 10, Section 10.2.

C. Phone Banking

IVR: Interactive voice interaction for conducting transactions without a human speaker.

Human support: Contacting bank staff to resolve complex issues.

Source: Chapter 9, Section 9.5.

D. SMS Banking

Example:

Sending a short code (such as *888#) to request an account balance.

Instant transaction notifications (withdrawals, deposits).

Risks: Possible phishing attacks.

Source: Chapter 9, Section 9.6.

E. Electronic Alerts

Types:

Email or SMS alerts when a transaction is made.

Warnings when the balance is low or suspicious activity occurs.

Importance: Enhancing transparency and account control.

Source: Chapter 10, Section 10.3.

F. Mobile Banking

Applications:

Money transfer via apps such as PayPal or local bank apps.

Scanning checks with the camera (Mobile Check Deposit).

Supporting Technologies:

Electronic wallets (Apple Pay, Google Pay).

Biometrics (fingerprint, facial recognition).

Source: Chapter 9, Section 9.7.

4. Security in E-Banking

Challenges:

Phishing attacks, malware, and identity theft.

Solutions:

Data encryption, two-factor authentication, and regular system updates.

Source: Chapter 11, Sections 11.2–11.4.

5. Challenges in E-Banking

Digital divide: Some groups do not have access to the internet or smartphones.

Financial literacy: Users are not aware of the risks of online fraud.

Regulatory compliance: Different laws exist between countries (such as GDPR in Europe).

Source: Chapter 12, Section 12.5.

Primary source:

Book: Laudon, K. C., & Traver, C. G. (2020). E-Commerce 2020: Business, Technology, Society (16th ed.). Pearson.

Topics: Chapters 9, 10, 11, and 12.

Note: You can refer to these chapters for in-depth technical details or to study practical cases illustrated in the book.