

Internet banking

[Technology](#), [Internet](#)



Internet is rapidly turning out to be a tool of world wide communication. The increasing use of Internet earlier promoted producers and entrepreneurs to sell their products online. It has also become an Important source of Information and knowledge. Due to this, many banking and finance organizations have come up with the Idea of Internet banking or online banking. What is Internet Banking Internet banking can be defined as a facility provided by banking and financial institutions, that enable the user to execute bank related transactions through

Internet. The biggest advantage of Internet banking is that people can expend the services sitting at home, to transact business. Due to which, the account holder does not have to personally visit the bank. With the help of Internet banking many transactions can be executed by the account holder. When small transactions like balance Inquiry, record of recent transaction, etc. are to be processed, the Internet banking facility proves to be very handy. The concept of Internet banking has thus become a revolution In the field of banking and finance.

Brief History of Internet Banking The concept of Internet banking has been simultaneously evolving with the development of the world wide web. Programmers working on banking data bases came up with ideas for online banking transactions, some time during the 1980s. The creative process of development of these services were probably sparked off after many companies started the concept of online shopping. The online shopping promoted the use of credit cards through Internet.

Many banking organizations had already started creating data ware housing facilities to ease their working staffs. The development of these databases were widely used during the development of ATM's. Sometime in 1980s, banking and finance organizations in Europe and united States started suggestive researches and programming experiments on the concept of 'home banking. Initially in the 80's when computers and Internet were not so well- developed, home banking' basically made use of fax machines and telephones to facilitate their customers.

The widespread of Internet and programming facilities created further opportunities for development of home banking. In 1983, the Nottingham Building Society, commonly abbreviated and referred to as the NBS, launched the first Internet banking service in united Kingdom. This service formed the basis for most of the Internet banking facilities that followed. This facility was not very well-developed and restricted the number of transactions and functions that account holders could execute. The facility introduced by Nottingham.