|  |  |
| --- | --- |
| **Introduction to Mobile Development**  **INFT 3103-01** | lab-1  Varun Deep Singh.  100865156 |

Table of Contents

[**INTRODUCTION** 2](#_Toc177673335)

[**HISTORY OF MOBILE BANKING** 2](#_Toc177673336)

[**Meaning of Mobile Banking** 3](#_Toc177673337)

[Some key features of Mobile Banking 3](#_Toc177673338)

# **INTRODUCTION**

In today’s advanced technological era, several new technologies have emerged and made human lives easy. One of these forcefully emerging technologies is mobile banking which has completely revolutionized the banking experience for end users of the financial world. It has completely reshaped the ways how people used to interact with their banks and make day-to-day transactions. The context of this report covers different areas on how the advancement of mobile banking and its history has affected and improved our lives.

# **HISTORY OF MOBILE BANKING**

The idea of mobile banking was first introduced in the early 90s but at that time internet was not fully accessible to everyone. 2000 was the year when the Internet gained popularity and gave birth to the initial stages of mobile banking. Wachovia and Wells Fargo were some of the first banks to offer simple services such as checking balances and getting directions to the nearest ATM on their websites. At that time these services were difficult to use and maintain due to the high costs of internet and development issues. The non-user-friendly browsers also made it difficult to navigate the websites making it hard and risky. Since the day, banking services moved online security has been the first concern. Some key events in the history of mobile banking are as follows:

* 1999: The first SMS-based banking idea was introduced.
* 2007: App-based mobile banking with advanced features came into existence in iPhones.
* 2010: The peak of mobile banking usage as most people had access to smart devices and Internet.
* 2020: Another boom in mobile banking due to the pandemic (COVID-19) as people leaned towards contactless payments.

A screenshot of a mobile banking application

Description automatically generated

Changes in technology also contributed to the evolution of mobile banking as in the early days very low bandwidth was allowed on the modems. Due to this, it was quite challenging to use heavy banking websites. The graph chart below demonstrates the amount of bandwidth allowed on modems in the past years.

A graph showing the age of internet modems

Description automatically generated

# **Meaning of Mobile Banking**

The term Mobile Banking or Banking using mobile refers to the idea of performing tasks such as checking account balance, sending and receiving money online, and investing in things like stocks and crypto markets. Today’s mobile banking also provides us with some new features in which we can create fixed deposits from websites or apps and gain interest in the capital.

## Some key features of Mobile Banking

* **Transfers and Payments**: A user can send or receive money from any other bank account using the services on the bank’s website or application. Payments such as electricity bills or gas bills can be directly made using the app.
* Managing different accounts: Almost everyone today has multiple accounts mainly chequing and Saving accounts. Users can move money within their bank to different accounts based on their needs.
* Customer Support: Several banks offer 24/7 customer support chat platforms included in the apps where customers can resolve their issues or seek financial help regarding operations within the bank.
* Locking and unlocking cards: Customers can freeze or unfreeze their credit/debit cards from the app/website to avoid fraud or in case of losing the cards.
* Investment options: A lot of banks also offer investment opportunities in share and crypto markets.

# **Advantages and disadvantages of Mobile Banking**

|  |  |
| --- | --- |
| **Pros and Cons of Using Mobile Banking** | |
|  |  |
| 1.  It is also convenient for users as they do not need to run to the banks for trivial tasks. | 1.  As every goes digital, there are more vulnerabilities for attacks from hackers on the accounts. |
| 2.  Makes it cheaper as banks need less on-site staff to handle customer traffic. It also saves customers time and money. | 2.  People need to depend on the internet to access their banks. |
| 3  Customers can be notified about any promotion or alert instantly through a notification or email. | 3.  Increased usage of mobile can lead to social distancing within families. |
| 4.  Customers can feel more secure as they can lock/unlock their accounts and cards anytime. | 4.  Apps can crash anytime resulting in a big disruption in the flow of day-to-day banking. |

# **Upcoming Technologies and Current Trends**

There has been a steady increase in technological advancements in mobile Banking. One of the new trends in Mobile Banking is the use of smart devices to pay at any merchant. This has been made possible by using NFCs in the smart devices. Some of the other emerging trends that are being very common in today’s era are as follows:

* Usage of new technologies such as Blockchain to improve transaction security.
* Usage of 2-factor or 3 factor authentication to login and complete transaction.
* AI integration: Some mobile banking apps now come with AI integration in them which can advise the user on how to decrease their expenditures in certain fields.

# **Future Expectations:**

The future of Mobile banking is bright without any doubt. Whereas there are more new things to come. The current new technologies concerning comfort, security, and accessibility as also advancing. Shortly, users are expected to see a new phase of mobile banking offering them much more as compared to presently available applications.

## **Personal Insight:**

I used to rely a lot on Mobile banking as a modern user. All my payments, subscriptions, and bills used to be paid by online banking only. But recently, I saw some unauthorized transactions of my cards summing up to a worth of almost 1000 CAD. After this, I came to realize that I should use this advanced feature of the era a little more carefully. The incident made me shift some of my important payments offline. I advise anyone I meet not to heavily rely on these as there are still some potential fixes that need to be made in terms of security.

# **Conclusion:**

Summing up, Mobile banking offers us several benefits which have made our lives easier in a lot of aspects. But as every coin has two sides. We should not forget the risks we are taking using these features carelessly. To conclude, one might say that these features can upscale our lives in the most unimaginable ways if we use them carefully without relying and risking everything on them.

REFERENCES:

Cleveland, Courtney Elizabeth, "A Study on How Mobile Banking Has Affected the Banking Industry: Has Mobile Banking Improved Bank Performance?" (2016). Honors Theses. 228. https://egrove.olemiss.edu/hon\_thesis/228

Innova Global Technology Inc. (2016) [The graph shows a representation of bandwidth growth over the past 25 years.] 25 Years of Bandwidth. Retrieved from <http://www.innovaglobal.com/cat-3-cat5-cat-5e-cat-5e-cat-6-cat-7-copper-fiberoptic-cable-infrastructure-installation>

iDa Mobile. [The visual conveys the four main types of technology behind mobile banking.] A short history of mobile banking. Retrieved from http://pt.slideshare.net/lbolognini/mobile-money-13321960