1. A consumer might have concerns when considering an online bank, specifically for the First Internet Bank of Indiana (First IB):

1. Does the online bank offer a real need to the consumers? *Online bank customers obtain monetary gain by paying lower fees for products and services that they would expect to receive from a traditional bank. Products and services would include checking accounts and money market checkbooks, savings accounts, consumer and business loans, credit cards and debit cards, affiliation to global ATM networks, etc.*
2. Does the online bank require customers to learn a new way to do their banking actions? *No, First IB offers the same services of a traditional bank. And new activities like check images for deposit are becoming a regular feature with many banks. First IB invested resources and devoted time towards the design of their website. It has a very clean design and is efficient with a lot of features. The Products and Services page list a concise summary of what they have to offer. First IB has continuously adjusted it to provide the best website for its customers. A Frequently Asked Questions (FAQs) web page assisted customers with unfamiliar processes.*
3. Is the online bank integrated well with existing systems and practices? *Yes, First IB is integrated well. Its deposits are secured by the FDIC. It clears checks through the Network of Banks, the Automated Clearing House (ACH). It offers Payment cards and issues credit cards as a member of a credit card association, like MasterCard and Visa. And it issues a bank debit card with the branding of a major credit card company. It is a merchant bank that has good practices to do business with sellers.*
4. Has the online bank operated for very long? *First IB has operated since 1999 which was the timeframe when the idea of an Internet Bank was conceived. First IB was designed well and endured when other online banks failed, profitable for many year, and it is still in existence today.*
5. Has the online bank been profitable? *Yes. First IB became profitable in its third year. Though small in comparison to assets of traditional banks, it was able to operate efficiently and with lower costs because it had no physical branch offices and fewer employees.*
6. Are the online banking transactions safe? *All online banking transactions take place on a secure network connection between only the website visitor (user) computer and the bank’s server computer. That secured connection is only allowed after a user can ‘log in’ which requires a multi-factor authentication from the customer. This is simply the need to login with a username-password and the addition of a knowledge-factor (“something that only the user knows”). All personal and financial data is encrypted and only the software program can understand its contents, which prevents the compromise of the data if the transaction messages were intercepted or the computer was lost.*
7. Are there any defenses against criminal activities, like Phishing expeditions? *First IB should educate their customers through periodic alerts that popup after login, warning of the threat of potential phishing activities and describes what it is. First IB should also have contractual agreements with consulting firms that specialize in anti-phishing work. Theses specialized consultants could monitor the web for new web sites that use First IB’s name and logo and move quickly to contact the authorities to shut down these fraudulent websites.*
8. Does the online bank protect against identity theft. *All personal information stored on First IB’s server computers are safeguarded from unauthorized access through physical security of the building, the rooms of the server farms, and terminal resources. The logical security against hackers includes the multiple layers of firewalls and separate servers.*
9. Does the online bank protect against the potential loss of customers’ data? *First IB protects against the potential loss of data from fire with a physical, automated, fire-retardant delivery systems. Loss from corrupted media material is recovered from a stringent data backup-recover plan which includes mirrored servers, mirrored drives, scheduled backups and offsite storage of backup data. Also the management of security procedures is constantly evaluated for potential and actual attacks on the network and connected systems.*
10. Will this online bank always be available and care about its customers? *Yes/No. Yes, it says it always puts the needs of its customers first. On its website it asks for comments and suggestions from its customers. No, because while researching on the web about First IB I came across yelp at* [*http://www.yelp.com/biz/first-internet-bank-indianapolis*](http://www.yelp.com/biz/first-internet-bank-indianapolis) *and though there are many five-star comments, there are an alarming amount of one-star comments, each very serious. No, also because I was navigating through the site and it crashed with unexplainable message “Disallowed Key Characters.” Nothing I would do allowed me back onto the website. I closed the window and tried the website in a new window, it finally worked in a browser of a different brand. And you will the results that show changes that enhance the customer’s online banking experience.*

2. The design of the First IB Web site meets the needs of a potential small business customer to some degree but could be improved. Here are some of my observations of the elements and suggestions for improvement:

1. *First IB’s website seems to focus on individual consumers more so than business customers. The home page presents a multi-tab folder with tabs: “Greeting,” “Banking,” “Investments,” “Loans,” and “Business,” with Business last. I recommend First IB should promote their products and services for business accounts with more visibility. They could provide a list of existing business customers who agreed to that disclosure. And maybe have two-four heart-felt, success stories to show their customer service.*
2. *Products and Services page list a concise summary and half way down is the group “SMALL BUSINESS AND COMMERCIAL BANKING” It lists ‘Commercial Deposit Accounts,’ ‘Treasury Management Services,’ and Commercial Loans.’*
3. *The ‘Commercial Checking’ account requires a minimum balance of $25,000 unless a $12 per month fee is paid. The account also offers a service called, iScan Deposit but the service demo requires a plugin that I didn’t have, couldn’t get, and couldn’t play; so I don’t know what it is!*
4. *The ‘Treasury Management Services’ describes ‘Commercial Online Services’ which seem to lists features that I would expect. It is a Merchant account because it states it offers “ACH Origination (disbursements and collection).” But it also refers Merchant Services to a third-party with the statement, “Let us refer you to a cost effective and flexible service provider that will meet your card processing needs.”*

3. I have been hired by First IB as a security consultant. The president of the bank has been concerned about the potential damage that a phishing expedition directed at First IB customers could do to the bank’s reputation.

*As the security consultant, I recommend that First IB educate their customers through periodic alerts that popup after login, warning of the threat of potential phishing activities, describe what it is, and direct them to not participate in the hoax. Alert them that First IB would never ask their customers for any account information or to change anything with their account. It has been a long time since First IB did this: On their Facebook account, they posted in 2009 the following messages:*

First Internet Bank

Oct 28, 2009

Fraudulent emails encouraging consumers to verify their FDIC deposit coverage are circulating. If you receive a message like this, simply delete it. Do not follow the link contained within the message.

First Internet Bank shared a [link](http://m2.facebook.com/l.php?u=http%3A%2F%2Fwww.wisebread.com%2Fphishing-scams-continue-to-plague-social-media-sites&h=nAQG9Sx9s&s=1).

Oct 15, 2009

Phishers try to lure you in through Facebook and Twitter scams. How to protect yourself.  
[http://www.wisebread.com/phishing-scams-continue-to-plague-social-media-sites](http://m2.facebook.com/l.php?u=http%3A%2F%2Fwww.wisebread.com%2Fphishing-scams-continue-to-plague-social-media-sites&h=FAQHKvuKY&enc=AZNeY77dLvCzh3OSBpXEzIQJZO35HQJrYn9ZYJxhRHD15lTzSEL5NDUzIkrs4yo-xuWZJ1xUXKgi2pNcJmPRgQ-O0WCf6Du7L4WNa9EWqkntsDG2Lg-AwvV2qq7SsaV5uxk&s=1)

And this…

[Phishing Scams Continue to Plague Social Media Sites | Wise Bread](http://m2.facebook.com/l.php?u=http%3A%2F%2Fwww.wisebread.com%2Fphishing-scams-continue-to-plague-social-media-sites&h=fAQGiahSb&s=1" \t "_blank)

*I would also recommend that First IB establish contractual agreements with consulting firms that specialize in anti-phishing work. Theses specialized consultants will monitor the web for new web sites that use First IB’s name and logo and move quickly to contact the authorities to shut down these fraudulent websites. On Twitter First IB’s profile shows 519 tweets and about 567 followers. According to Website Record gives 1.6 out of 5 stars to First IB, a SEO Score of 32%, and rated Trust Worthiness: 81%, Vendor Reliability: 81%, Privacy: 81%, and Child Safety: 98%.[[1]](#footnote-1) First IB has been a Better Business Bureau BBB Accredited Business since 12/062013. There is a ‘Trust Report of FirstIB.com’[[2]](#footnote-2) that gives metrics about the activity on the website with not much negative results.*

1. **Website Record** provides complete website statistics, analytics, and hosting information including website worth, traffic, Whois, Google Pagerank, Alexa rank, etc. Downloaded from <http://websiterecord.com/dm/firstib.com>. [↑](#footnote-ref-1)
2. **Smart Audit** ‘Trust Report of FirstIB.com’. Downloaded from <http://www.scamaudit.com/domain/firstib.com>. [↑](#footnote-ref-2)