

Title:

An Examination of Online Banking in the United Kingdom

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Summary:

In the UK, many banks and building societies are attempting to capture a sizeable percentage of the online banking market share. And it seems that the UK consumers are benefiting from this competition most.

Keywords:

online banking, internet banking, UK online banking, United Kingdom online banking

Article Body:

In the UK, many banks and building societies are attempting to capture a sizeable percentage of the online banking market share. And it seems that the UK consumers are benefiting from this competition most. Online banking in the UK is getting big; there is no doubt about it: 6.5 million consumers are online banking customers. And that figure is projected to rise every year--not because of bank closures--because of the ease that online banking offers. Everyone can say that it is easy and some people may still be dubious about that. But to anyone who is an online banking customer, they will know just how easy and simple it is.

Before choosing an online bank to open an account study carefully what services the bank allows you to do online. Also check the accessibility of talking to a live person. Make sure the banks internet site allow you send secure emails.

The UK, like any other country, has banks on every street corner. And these banks try to lure new customers in with big bright signs: "apply now and get a 6.9% APR rate on your card!" When you are on the Internet, these banks take the same approach. On their websites, there are banners that banks use for advertising space because they recognize that so many people are using online banking; and that they need to emphasize their competitive advantages to draw customers over the Internet.

Some major U.K. banks have opened independent online banks such as Abbey

National with www.cahoot.com. There is also www.smile.co.uk the online bank of The Co-operative Bank.

Despite all of the advantages to online banking in the UK, not everything is perfect.

One in twenty consumers will fall victim to online fraud; and when they do, it will cost them big time. The UK's fraud cost last year was £58 million (\$101 million), which is quite scary for consumers looking to join an online bank. To be honest, it is safer to use a brick-and-mortar bank; however, in order to keep this safety net, you must sacrifice convenience and flexibility.

If you decide to open an online banking account but are apprehensive about the security issues, you should spend a considerable amount of time selecting a unique and hard-to-crack password; and in addition to this, you should also use other values for your optional information that is hard to determine.

Other Online Internet Banking Security Tips:

- Make sure your operating systems OS and browsers is updated with the latest upgrades (patches).
- Use an anti-virus and anti-spyware programs update them and scan your pc at least once a week.
- Install a personal firewall and learn to use it
- Always close your browser window after online banking and delete cookies.
- Change your passwords once a month.
- Never reply to emails asking for you to update your password or give your password. The online banks will never ask for your password.
- Always type in the browser address bar the online banking url. Do not click on a link especially in an email as this may take you to a scammer's page.
- Never bank online from an internet café.