

## **E-BANKING IN POLAND AS A MODERN FORM OF MANAGING A BANK ACCOUNT**

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### **1. Introduction**

The development of telecommunication and IT technologies as well as the Internet enabled banks to offer altered products and services. They are rendered in the field of e-banking, which basic function is recognizing a client as an active user without territorial or time boundaries. Recently, we have been observing a rapid evolution of e-banking in Polish banking system. A growing number of banks is introducing modernized offers which may only operate in the virtual world. Considerable opportunities in this area allow to retain not only the existing customers but also entice new ones, which is of great importance in the development of the bank and its services and products [1, p.15–18]. When competing for new clients banks are introducing increasingly new business activities which raise convenience and the quality of services in e-banking, and as a result, electronic banking is becoming more effective [2, p.67]. Most commonly offered forms of banking services and products included electronic banking, home banking, telephone banking, mobile banking and interactive television. Additionally, banks offer their clients tools thanks to which they have the access to non-cash payments. The main forms of non-cash payments include debit cards and electronic money [3, p.102].

The crucial element of remote access to the bank account is the development of the Internet to Web 2.0. With the creation of Web 2.0, the rapid evolution of e-banking was very swift and therefore, its potential changed entirely [4, p.67]. Users of this form of services could participate actively in the development of banking services and products as well as communicate and cooperate. That was the beginning of Internet relations. Social networking services and software became the key aspect of relations development. The main tools of this software include banking forums and blogs, open innovation services, podcasts, widgets and social networking sites such as Facebook and YouTube.

The general condition of Polish economy allows a dynamic evolution of e-banking. It is proved that the increase in electronic accounts is faster than GDP growth. This is the result of the characteristics of introducing a new and rather flawless service on the market, which at the early stage of life, features substantial probabilities of advance. Among the other elements, which are considered as crucial in the e-banking evolution, are the development and stability of the Polish banking and financial system [5, p.22].

The primary goal of the following dissertation is the presentation of e-banking as a modern and effective form of managing a bank account in the view of the respondents. An Internet questionnaire, concerning the remote access to a bank account, was used to conduct the research. E-banking services in Poland were the area of the research.

### **2. Evaluation of banking services in the opinion of customers – results**

E-banking is becoming an increasingly popular form of managing a bank account in Poland. The results in the report of Polish Banking Association indicate that until the end of 2012 about 21 million Poles used this form of banking [6]. The reason why we chose the particular bank offer is a serious issue (Fig. 1). It has been observed that the main reasons are the product offer (26,4%), location (22,6%) and an attractive price (21,4%). It is understood as everyone wishes to own an account in a bank, which has favourable offer as well as low prices.

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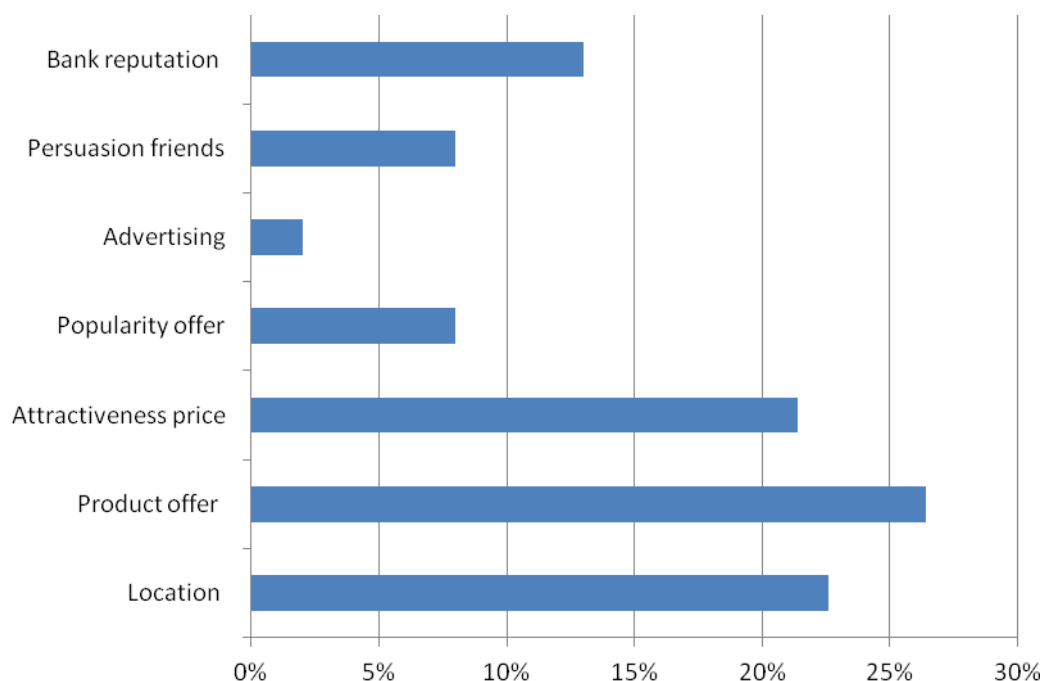
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E-banking is associated with certain risk, therefore some clients may be apprehensive when they use it. It has been noticed that about 27% of respondents do not have any concerns connected with using banking services. This may be due to the fact that clients trust banks in a greater extent. Unfortunately, a large number of people are still anxious about the e-banking perils. They include losing a bank account with 19,5% of the interviewees giving such a response, and the same number of respondents anticipates mugging by the ATM machine or an unauthorized entry on the account.

E-banking gives various possibilities and methods of using it. Approximately 63% of respondents prefer to access their bank accounts via the Internet (Fig. 2). This is because this form of managing an account is especially convenient and inexpensive. A client can access the account regardless of time of the day. The only condition that must be fulfilled is either a wireless or a broadband connection with the Internet. But still, a visit to the bank is of great interest, preferred by 30% of respondents.



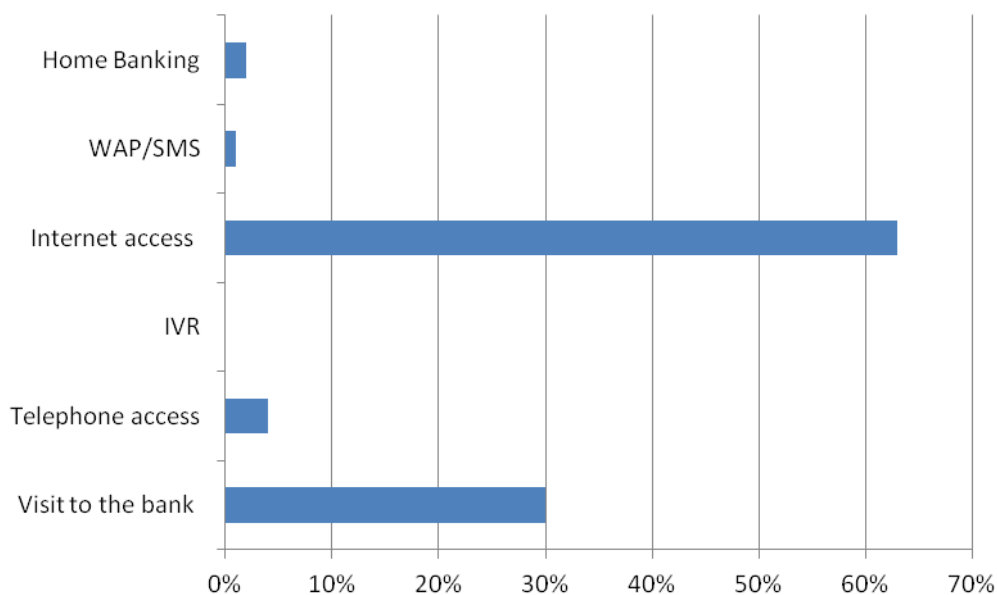
**Fig. 1. Reasons for choosing a particular bank**

Source: own elaboration

Thereinafter, many people prefer to manage their bank account with the help of a bank employee because it is a more certain and safer form of services, even if their e-banking service has been activated. It must be stressed that more than 76% of the respondents have their e-banking service activated, and only 15,7% do not use e-banking services at all. The most commonly used services include making payments and money transfers, checking the balance and checking the account record; and they are used by all respondents. It must be also stressed that 73,6% of the interviewees do online shopping using e-banking.

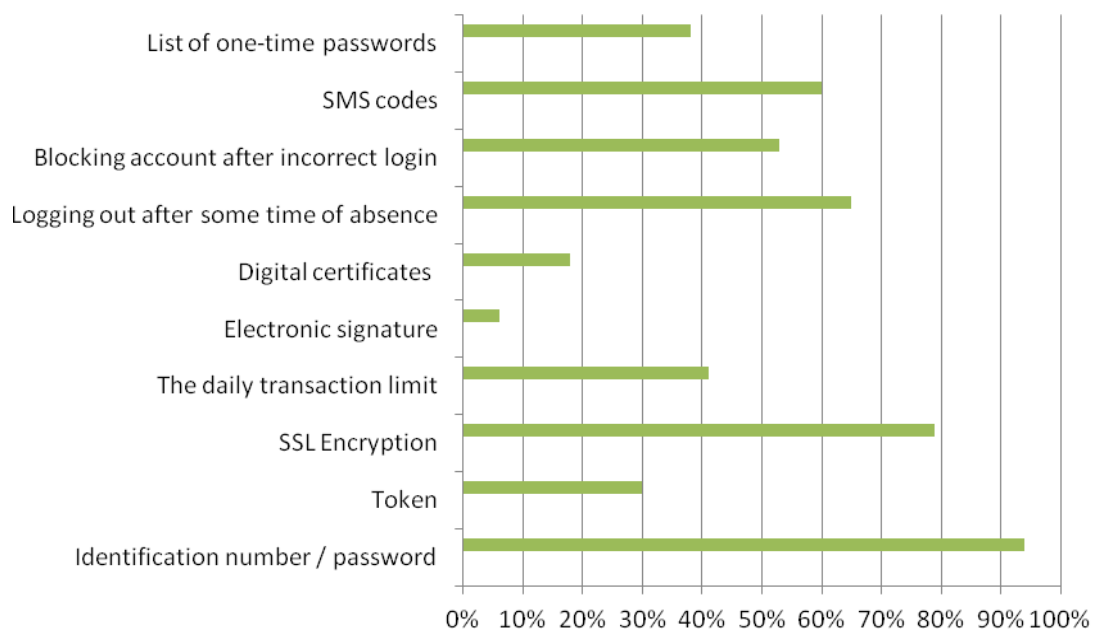
An important issue for e-banking users is implementing security measures within it. According to the respondents, the most frequently applied form of protection is an identification number or a password, which are adopted by 94% of banks (Fig. 3). However, we do not place confidence in an electronic signature, as merely 7% of respondents consider it a satisfactory form of protection.

It appeared that 96,7% of the respondents are contented with the level of security offered by the bank. It results from the better forms of protection on the e-banking platforms. Taking into consideration the customers' opinions on the changes in electronic banking, more than 40% of the people interviewed presume that the most far-reaching change that should take place in e-banking services is adjusting the services to the client's individual needs.



**Fig. 2. Preferable access to the account**

Source: own elaboration



**Fig. 3. Security measures used by banks in e-banking**

Source: own elaboration

For the surveyed group, the greatest advantage of e-banking is convenience (39,6%). The second most important feature is an unlimited access to the account (28,9%). The drawbacks of e-banking, according to 47,1% of the people surveyed, include the limited range of services and frequent technical changes (24,8%).

Taking into consideration the level of security during electronic banking, a larger number of the interviewees consider the online banking operations are not a threat. 63,6% of respondents consider banking operations as safe and 19,9% are of the opinion that they are very safe. None of the respondents rated the operations as insecure and only 16,5% of the people surveyed had no opinion of that issue.

83,5% of the respondents are of the view that e-banking will oust traditional banking from the market. It could be caused by the constant development of e-banking, the convenience it brings and low costs of managing an account. However, 10,7% of the interviewees believe that traditional banking will still operate on the market. There are many banking services operating only in the form of traditional banking and therefore, they will never be replaced by e-banking.

### **3. Conclusions**

Having analyzed the potentials and obstacles of using e-banking, one may ascertain that e-banking is a modern and effective form of selling banking services and products. This form of banking outdoes the possibilities of traditional banking owing to its worldwide outreach. On the other hand, the ranges of offers as well as low costs of e-banking make it the most commonly used form of managing a bank account. It has been concluded that customers are satisfied with the security of e-banking and due to the implementation of the most recent forms of protection in their systems, banks gain more customer trust. Those customers are contented with the offers and products provided via e-banking, and they especially appreciate the convenience, time saving, low costs and unlimited access to the account. So we may expect the further and rapid growth of e-banking together with telecommunication and IT technologies.

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### **Summary**

E-banking is one of the fastest growing banking segments in Poland. It is caused by the rapid evolution of the Internet as well as telecommunication and IT technologies. However, it still remains a relatively new form of managing a bank account and the channel of distribution of banking services and products. The aim of the research was the presentation of e-banking as a modern and effective form of managing a bank account. An Internet questionnaire was used to conduct the research. E-banking services in Poland were the area of the research. Taking into account the material gathered in the research, it has been noticed that e-banking brings low maintenance costs, availability and convenience. In the course of time more and more bank clients will be choosing this form of managing an account, as it is gaining more positive recommendations of the target customers. It will probably become the only form of banking in the near future.

**Key words:** e-banking, IT technologies, communication, cooperation, social networking services, electronic accounts, GDP growth.

**UD classification:** 336.717.11:336.717 (438)

Date of acceptance 30.08.2013