

Chapter 4

Research Result

The result of the comparative study indicates that all five Thai banks are dissimilar in providing basic services offered by their commercial banks. Confidence on lack of effort on educating the consumers toward internet banking further affected the usability of internet banking among five Thai Banks. Although still emerging, development and improvement are taking place by changing the face of banking industry within five Thai Banks. Moreover, low level of connectivity and concern over the security contribute to obstruct the growth.

4.1 The description and presentation tables

TABLE 5: INTERNET BANKING SERVICES IN AMONG FIVE THAI BANKS (2007)

	Banking Services	SCB	BBL	Kbank	BAY	KTB
1	Balance checking	☺	☺	☺	☺	☺
2	Fund transfer between account	☺	☺	☺	☺	☺
3	Fund transfer to third party's account	☹	☹	☺	☹	☹
4	Pervious balance inquiry	☺	☺	☺	☺	☺
5	Current balance inquiry	☺	☺	☺	☺	☺
6	Payment to loan account	☺	☹	☹	☺	☺
7	Payment to credit card account	☺	☺	☺	☺	☺
8	Payment to electricity	☺	☺	☹	☺	☺
9	Payment to water utility	☹	☹	☹	☺	☹
10	Payment for mobile services	☺	☺	☺	☺	☺
11	Payment for pagers	☺	☹	☺	☺	☹
12	Payment for International call services	☺	☹	☹	☺	☺
13	Payment for internet service	☺	☺	☹	☺	☺
14	Payment for insurance expense	☺	☺	☺	☹	☺
15	Payment for cable TV	☺	☹	☺	☺	☺
16	Payment for tuition fee of University	☺	☺	☺	☺	☺
17	Payment for leasing	☺	☺	☹	☺	☺
18	Stop cheque	☺	☺	☺	☹	☹
19	Inform loss passbook	☹	☺	☹	☹	☹

20	E-mail service	☹	☺	☹	☺	☹
21	Purchase a cheque book	☹	☹	☹	☺	☺
22	Foreign exchange and interest inquiry	☹	☹	☹	☹	☹
23	Change ATM password	☹	☹	☹	☹	☹
24	Investment	☺	☹	☹	☹	☹
25	Fund transfer to an oversea account	☹	☹	☹	☹	☹
26	Apply for credit card account	☺	☹	☹	☹	☹

- Siam Commercial Bank (SCB)
- Bangkok Bank (BBL)
- Bank of Ayudhya (BAY)
- Kasikorn Bank (Kbank)
- Krung Thai Bank (KTB)
- ☺ – service offered (available)
- ☹ – service not offered

Source: Lertwiran and Pokechai, 2002 and internet search

The table 5 shows how internet banking services have been expanded by getting service providers to cooperate with the internet banks. By extending their online services with various suppliers, banks aiming to attract Thai customers and serve more activities. For instance, the bill payment service has been expanded to public and private organizations and universities.

The Bank of Thailand (BOT), as the central bank, plays an important regulatory role in the electronic banking sector. The BOT has provided the financial infrastructure to serve business and financial sectors such as with a new payment system. In recent times the BOT has become more supportive in facilitating the growth of the financial sector. With regard to internet banking, the revised the notification requirements for commercial banks on their use of the internet for commercial banking business and has expanded the areas of permissible use of the internet for undertaking banking business. Being aware of the importance of electronic truncations in the future economic development of the country, commercial banks in Thailand have been allowed, to provide the same kinds of transactions that they do in branches (BOT, 2003).

4.1.1 Availability Service Features of Siam Commercial Bank

- Easy to apply on-line 24/7. No need to travel to branches.

- Easy to add beneficiary accounts via the One Time Password (OTP).
- Highly secure with 128-bit Secured Socket Layer (SSL) data encryption.
- Easy to check statement for SCB credit cards / Speedy Cash cards with e-Bill service.
- Easy to make instant or scheduled transfers between own accounts, another SCB accounts, and another bank accounts.
- Easy to check user account balance and statement.
- Easy to access all users accounts at one place.
- Easy to make funds transfer of user choice around the clock.
- Easy to pay bills with hundreds of billers on offer.
- Easy to top up user mobile phone and Express Way Easy Pass.
- Easy to manage user mutual fund portfolio.
- Easy to check statements of user, can pay for credit cards, and can review SCB Reward points.
- Easy to manage user personal information.
- Easy to keep up with app notifications for every movement of user accounts.
- Easy to locate SCB branches or ATMs near user.
- More than 1,000 merchants / services and mobile top-up are available for bill payments.

Bangkok Bank

Most of the major Thai banks offer Internet (online) banking to their customers. Each has their own requirements and features. Some allow any account holder to have online banking whereas others have restrictions, such as Bangkok Bank, which only allows foreigners that are permanent residents, holders of a work permit, or having a long stay extension on their visa to have online banking.

Bangkok Bank's English language brochure has a description of the features offered in online banking - checking account and account history, pay bills, transfer funds to user accounts or to third-party accounts at other Thai banks, and make international funds transfers. Other Thai banks with online banking offer similar capability. The transfer of funds to other accounts within the same bank or third party accounts usually incurs a small fee. The method of transfer will vary depending on the bank users are using. Bangkok bank allows set up the receiving third party bank account online. To set up the account, Bangkok bank will send an SMS text message to user mobile telephone with a one-time password. Once set up, transfers can then be made online at any time.

4.1.2 Availability Service Features of Bangkok Bank

➤ Account Activities Review

- View a summary of use current balance as well as detailed transaction records of user registered deposit accounts, mutual fund units, loans, credit cards and Be1st cards

- Print transaction history
- View credit-card statements and transactions over the last three months
- View the repayment history of your loan account to see how much principal you have left to repay and how much you have repaid in the last twelve months

➤ **Bill Payments**

- Pay for goods and services online (including Bangkok Bank credit cards and supplementary credit cards)
- Set payment dates in advance so you won't forget to pay bills when they are due
- Register for Bualuang Direct Debit Service to make bill payment

➤ **Funds Transfer**

Three options for scheduling funds transfers: immediate transfer, future transfer, and regular transfer for your Savings account, Fixed Deposit account, Sinmathaya Subthawee account and Current account when:

- Transfer funds between your Bangkok Bank accounts
- Transfer funds to 3rd parties with accounts at Bangkok Bank
- Transfer funds to 3rd parties with accounts at other banks

Note: Deposits into a Fixed Deposit account or Sinmathaya Subthawee account via Bualuang iBanking can be made between 6:00am - 11:00pm.

➤ **International Funds Transfer**

For Thai nationals

- Educational expenses
- Family support
- Living expenses
- Payment for goods
- Payment for services
- Travel expenses
- Personal expenses
- Gift
- Donation

For foreigners

- Salary repatriation

➤ **Foreign Currency Deposit Accounts**

- Check your balance

- View transaction history for the last 2 months
 - Instruct funds transfers from your foreign currency deposit (FCD) account to your baht deposit account
- **Investments**
- Invest in Mutual Funds via Bualuang iBanking
 - Apply for Securities Trading Account
 - Apply for e-Dividend Service
- **Cheque Services**
- Order your cheque books
 - Suspend your cheque payments*
 - View the list of cheques issued that have been returned over the last two months
 - View the list of cheques deposited into your accounts that have been returned over the past two months
- **Other additional services**
- Suspend the use of your lost passbook*
 - Request a hard-copy of your bank statement going back further than two months
 - Bank Mail - send and receive messages from Bualuang iBanking staff safely and securely

*Services available only between 6.00 a.m. - 11.00 p.m.

Kasikorn Bank

K-Cyber Banking service is designed to deliver a wide range of products and services specifically tailored to the needs of individual customers. A high degree of user-defined flexibility is provided, together with time-saving features designed to enable their clients to more efficiently manage their financial affairs in a straightforward manner. Industry-standard levels of security are used and customers have a choice of Thai and English versions.

KBank ATM card, K-Debit Card or K-Credit Card are linked to user savings or current account, and on the following day user will get a password via SMS for logging in to the system. After that, user will be able to conduct various transactions online; 24 hours a day. K-Cyber Banking is a new platform from KBank to provide personal customers with a powerful and versatile tool to manage their finances over the Internet in a secure manner.

K-Cyber Banking is available in both Thai and English for their customers, wherever they may be around the world, can make financial transactions such as balance enquiries, transaction reports and requests for new cheque books, ability to configure the system to set up user account to cater for regular payments to utilities, credit card companies or to other

accounts both within KBank or at other institutions. Moreover, the system will send user an e-mail notification for each transaction made via K-Cyber Banking.

4.1.3 Availability Service Features of Kasikorn Bank

Regularly updated information on the financial markets are the following;

1. Account Service

1.1 Statement Inquiry; view statement: in last 6 months for Current account and Savings account, in last 6 months for Fixed-deposit account

1.2 Balance Inquiry

1.3 Recent Transactions: to view today's activities transacted through KBank branch and Cash Deposit Machine.

1.4 Online Transaction: to view today's activities transacted through K-Cyber Banking service

1.5 Scheduled Transaction: to view log of scheduled transactions waited for activating.

2. Credit Card Service

2.1 Credit Card Inquiry

2.2 Unbilled Transactions

2.3 Credit Card Statement Inquiry

2.4 Own Credit Card Payment

2.5 Other Credit Card Payment

2.6 Change Credit Card Contact Information

3. Funds Transfer Services

3.1 Own Account Funds transfers: to transfer money between accounts in user own name; Current, Savings,

3.2 Other Account Funds Transfers: to transfer money from user Current or Savings accounts to other account who has been registered with K-Cyber banking service.

3.3 International Funds Transfer: to transfer money from Current or saving accounts to international bank account that who's had been registered with K-Cyber banking service.

3.4 Interbank Funds Transfers: to transfer money from user Current or Savings accounts to another bank account that who had been registered with K-Cyber banking service.

4. Bill payment

Bills from utility companies and other participating merchants can be paid on a Direct Debit system. These payments can be made immediately the bills are submitted or at a later date as specified by user.

5. Cheque Service

5.1 Order Cheque Book

5.2 Stop Cheque Request

5.3 Stop Cheque Status Inquiry

6. K-Web Shopping Card

6.1 Apply for K-Web Shopping Card: a virtual debit card with a 16-digit card number

6.2 View Card Details

6.3 Change Card Limit

6.4 Statement Inquiry

6.5 Suspend Card

6.6 Download Dispute Letter

Service Hours: 24 hours 7 days a week

Remarks: Credit card payment or bill payment Transactions entered during 22.00 - 24.00 will be accepted by the system for processing at approximately 00.05 am on the next day.

7. Security System

- 128-bit Data Encryption with Secured Socket Layer (SSL)
- Firewall system

1. Login Password – to be used each time you wish to login to K-Cyber Banking System.

2. Security Password – to be used to confirm requests to make financial transactions or change your profile. Two types of Security Password are

- PIN2 is used to confirm the request for financial transactions such as other funds transfer or for your profile changes such as adding/ deleting account or changing your contact address.
- OTP (One Time Password) is used to confirm the request for each financial transaction. The system will send you 6 digits OTP and 4 alphabets reference code via SMS. You should fill out the OTP within 6 minutes. If you do not confirm the request within the specified period, the system will resend a new OTP.

4.1.4 Availability Service Features of Krungthai Bank

The new internet banking with full functions merged from KTB Online and KTB netbank, transaction easily with KTB account and netbank account. KTB Account: Deposit with passbook (Savings account, Current Account, Fixed Account) and KTB loan account.

Netbank Account: Net deposit account (no book account) which are;

- Net Savings - the primary netbank saving account for daily
- Net Extra - the extra saving account that offers 0.5% higher interest rate than Net Saving (minimum balance is 10,000 baht per month and withdrawal must not be over than 4 times per month)
- Net Fixed - is fixed deposit account higher interest rate than ordinary fixed account. Net Flexible Fix is day term deposit which allows you to select deposit term by yourself (bank will launch products and promotions constantly).

Key Features

- Convenience: Real time or schedules transfer service for inter-banking, third party transfer and bill payment
- Confidence: Statement inquiry and balance history for the past three months available for download
- Fast: Online Real Time receivable information
- All-in-One: One stop service with KTB Corporate Online

KTB Corporate Online services

A convenient service for corporate that allow to self manage financial transactions via internet 24 hours a day. KTB Corporate Online is a convenient service for corporate, government organizations, private enterprises and exclusive individual persons approved from the bank. This service enables online self-service cash management 24 hours a day.

Basic Service

- Account Information: Balance and transaction viewing
- Download e-Statement: Statement download at the end of accounting date
- Fund Transfer (to third party): third party transfer service
- Pay Bills: Goods and service bill payment
- Inquiry and Stop Cheque: Cheque status checking service

Confident with online shopping through KTB's Visa Debit Card

- Verified by Visa is a service jointly developed by KTB and VISA International to add convenience and safety for shoppers shopping online with KTB's Visa Debit card.
- Verified by VISA password and Personal Assurance Message (PAM) give online shoppers peace of mind as they do their shopping in private, assured that they are making purchases through e-Commerce stores that are officially registered with VISA.
- Added safety with the OTP (One Time Password) enquiry system which sends the password SMS or the password user created to their registered mobile phone number to prevent fraudster from using their Visa Debit card number to make online transactions.
- Boost user confidence with PAM which appears on the screen as make the transaction to ensure that user are in the process of making VISA-certified online transaction;
- Quick and convenient service application free of charge, verified by Visa service is available to existing cardholders of KTB's Visa Debit/ Visa Electron cards.

Miracle Thailand Card's Registration of KurngThai Bank

- Any spending via Miracle Thailand card, user will not only enjoy lots of special benefits which are provided to the cardholders but also a peace of mind privilege of Personal Accident Insurance.
- KTB Biz Payment; The best convenient of financial service for user business that covers all their financial transaction needs.
- Student Registration; Students can pay their tuition fee by themselves.
- KTB netbank @ Mobile; These Service; user can conveniently manage their financial transaction anytime, anywhere via mobile phone. Blind person can use this service.

4.1.5 Availability Service Features in Bank of Ayudhya

➤ Balance Inquiry

- Deposit accounts (savings, fixed, and current)
- Registered mutual fund and loan accounts
- Inquire account balance of up to 13 accounts and retroactive 6 months

➤ **Credit Card Statement Inquiry Service**

- Credit card account information such as total spending, due date, and the latest billed transactions inquiry
- Unbilled transaction inquiry
- View statement up to retroactive 6 months

Services available for Krungsri Credit Card, HomePro VISA Credit Card, Central Credit Card, and Tesco Visa Credit Card only, AIA MasterCard Card, Simple Visa Card and Krungsri First Choice Visa Card

➤ **Securities/ Derivatives Trading Service**

- Trading of securities or derivatives of Krungsri Securities Public Company Limited via Krungsri Online Service.
- The service is available 24/7.

Securities/ derivatives trading service forms part of Krungsri Internet Banking service. The Bank only provides online connection to the online securities/derivatives trading service of Krungsri Securities Public Company Limited.

➤ **National Credit Bureau Credit Information Request Service**

- Credit information request is available for both savings and current accounts
- Statement retrieval and printing is available up to 2 retroactive month

➤ **Money Transfer**

- Transfer between user accounts or to third party accounts of same bank, interbank transfers, and international remittance
- Card less money transfer
- Immediate or scheduled money transfer
- Retroactive statement retrieval is available

➤ **Bill Payment**

- Bill payments to over 1,000 participating billers
- Immediate or scheduled money transfer
- Retroactive statement retrieval is available

➤ **Transaction scheduling**

- Transactions can be scheduled at one time or on a recurring basis.
- Transactions can be scheduled without limited ending date
- Scheduled transactions will be processed automatically at 9.30 a.m. of the specified date.
- Transactions can be scheduled at 24/7.

➤ **Mutual Funds**

- Subscribe, Redeem, and switch investment units

- Balance and NAV inquiry
- Check Services
- Inquire about check status
- Suspend check and view Stop check records

➤ **Other Services**

- Account suspension
- Krungsri ATM / VISA Debit card suspension
- Interest rate and exchange rate inquiry
- Deposit and loan calculator
- Account balance automatic alerts
- Apply for auto debit service
- Savings co-op deposit, withdrawal, payment, and borrowings

For the safety of user financial transactions via mobile phones/ tablets/ computers, the Bank recommends as follows;

- Avoid clicking any links (URL) in any SMS or emails containing deceitful messages demanding for personal information, deposit account information, and password to enter the financial transacting systems.
- Avoid downloading or installing any programs or freeware from unreliable sources.
- Avoid making transactions through devices with modified operating system.
- Avoid connecting the public Wi-Fi signal when making transactions as it incurs the risk of stolen personal information, account information, and password to enter the financial transacting systems.
- Install the anti-virus application on mobile phones/ tablets/ computers, especially those where Internet Banking service is utilized.

The above all the details are discovered from related research website of among five Thai commercial banks and received from interview of internet banking officer among five Thai commercial banks. Analyzing all the five commercial Thai banks, some banks are dissimilar and their services hours are depend on different kind of services which is related to their commitment. Interestingly, all five commercial banks are offered the language options, which is convenience for their customer’s advantage. And also most clearly securities of construction are explained by their each web site, away from thieves.

4.2 Reliability Analysis

TABLE 6: TYPES OF SERVICES OFFERED AMONG FIVE THAI BANKS

	Internet Banking Services and Features	Five Thai Banks				
		SCB	BBL	Kbank	BAY	KTB

1	Check User balances and statements online	😊	😊	😊	😊	😊
2	Fund transfers	😊	😊	😊	😊	😊
3	Bill payment	😊	😊	😊	😊	😊
4	Manage savings and current account	😊	😊	😊	😊	😊
5	Card service	😊	😊	😊	😊	😊
6	Order cheque and books request	😊	😞	😞	😞	😞
7	Request for stop cheque payments	😊	😞	😞	😞	😞
8	Fixed deposit placement	😊	😞	😞	😊	😞
9	Requesting the bank statement	😊	😊	😞	😞	😞

TABLE 7: THE AVAILABILITY OF INTERNET BANKING FEATURES AMONG FIVE THAI BANKS

	Internet Banking Services and Features	Five Thai Banks				
		SCB	BBL	Kbank	BAY	KTB
Ease of use (Informational)						
1	Language option	😊	😊	😊	😊	😊
2	Online transaction hours	😊	😊	😊	😊	😊
3	Comprehensive FAQ	😊	😊	😊	😊	😊
4	Online transaction hours	😊	😊	😊	😊	😊
Textures (Transactional)						
5	Transfer funds between accounts at different branch	😊	😊	😊	😊	😊
6	International fund transfers	😊	😊	😊	😞	😞
7	Transfer funds to third party account	😊	😊	😊	😊	😊
8	Bill payment	😊	😊	😊	😊	😊
9	Order cheque and book request	😊	😞	😞	😞	😞
10	Manage savings and current account	😊	😊	😊	😊	😊
11	Apply for loan and mortgages	😊	😞	😞	😞	😞
12	Able to repay loan and mortgages	😊	😞	😞	😞	😞
13	View statement and account balances	😊	😊	😊	😊	😊

14	Request for bank statement	☺	☺	☹	☹	☹
15	Fixed deposit placement	☺	☹	☹	☺	☹
16	Stop cheque	☺	☺	☺	☺	☺
17	Standing order or direct debit	☺	☹	☹	☺	☹
18	Apply for credit card and debit card	☹	☹	☹	☹	☹
19	Credit and debit card payment	☺	☺	☺	☺	☺
20	Historical records	☺	☺	☺	☹	☺
21	E-phone banking on the internet	☺	☹	☹	☺	☹
22	Web shopping on the internet	☺	☹	☺	☹	☹
23	Change user id and password	☺	☺	☺	☺	☺
Extra Mile Service (Communicative)						
24	E-mail support	☺	☺	☺	☺	☺
25	Online investment	☺	☺	☺	☺	☺
26	Online insurance	☺	☹	☹	☹	☹
27	Online business	☺	☺	☺	☺	☺
28	Online application form	☺	☺	☺	☺	☺

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The services offered by the banks are no longer sufficed. Today's highly sophisticated and competitive world demand banks to be more vigilance on satisfying their customers. Banks nowadays are extending their services to cater the financial needs for their sophisticated customers. Interestingly, some of them are already moving towards to provide Internet banking services, whilst some are still in the process of reshaping themselves.

Table 7 represents types of features commonly provided by the banks for their internet banking customers. Features could be varies from one institutions to another. Nonetheless, the researchers found features used are commonly provided by banks, thus assumed to be acceptable. To simplify, the table is divided into 3 different categories: (1) Ease of Use (Informational), (2) Textures (Transactional) and (3) Extra Mile Service (Communicative). The first category as noted earlier means "specify the physical features an internet banking system opt to have for its customers". While the second category means "the features assisting customers' transactions and the last". The third category means "the added values offered by banks".

It is also acknowledged, most of the banks are still lagging from offering insurance services, besides giving more revenue to the banks; services such as this would attract more customers. The table also shows, only Siam commercial bank and Kasikorn bank are offering Web shopping services.