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Internet Banking and E-commerce: A Consumer Perspective

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ABSTRACT

No better news this past holiday season was the news about internet shopping and E-commerce. New information provided by such firms as MasterCard and Amazon produced evidence of the continued growth of orders by internet and the not so wonderful news from the “brick and mortar retail spaces. New jobs information summarized by increase job creation and reduced the U.S. Labor Department Unemployment Rate to levels not seen in recent decades. Except for unintelligent and politically motivated rhetoric from some political candidates running for the presidential office about a year in advance of election, the nation would be wholly rejoicing in the latest news from the media about employment. From the consumer perspective, we discuss the major problems in this industry.

KEYWORDS: Internet banking; E-commerce, Consumer; Supply chain

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INTRODUCTION

The internet banking portion is experiencing significant growth and as E-commerce if one simply examines the general change in activities of internet bankers and services provided by conventional bankers on the internet. No matter where one is on-line, services continue to grow at high rates of activity. Year-end buying, selling of financial assets online continues smoothly as clients utilize “WIFI” on luxury cruise ships in place like the South Atlantic Ocean with two major American brokerage firms. In addition, one employs their demand deposits and other assets to pay off debt and bills as well as collect payments from those who have obligations with them. These activities include bill payment automatic deposits and exchanges in the

activities among the internet bank, credit card companies, brokerage firms, retirement institutions and their various managers. These are today services by international financial institutions that are beyond the imagination of the original computer developers and telecommunications institutions envisioned. Most important, the development of internet applications called “Apps” go far beyond what original developers thought were possible. They increase the ease of communications between retailers and client customers of E-commerce retailers whether they be ultimate consumers, distributor or logistic entrepreneurs.

One of the difficult problems of delivery of product from retailer to end-user customers. There are similar problems in the delivery of product from a manufacturer to the next point on the line from manufacturer to end-user customer. Commercial products are not the only transfers of information but include transporting of product that cannot be delivered on-line. This problem called logistics is age old but is referred to in modern vernacular as the “supply chain.

Supply chain is simply the process of delivering product from supplier to end-user. The problems are horrendous from the ravages of weather, political hazards, wars stemming from political actions, systematic problems of traffic and the maintaining of quality standards and continuous improvement in the shipping of end-products to purchaser. Logistical problems are many and are subject to data analytical methods often not found in supervisors and employees in the supply chain and shipping industries. Coupled with internet security one must locate lean logistical methods to satisfy customers as the manner in which E-commerce developed the methods of ordering by the on-line internet.

Several problems exist with internet banking and E-commerce exposed by Schneir [1] that a large number of options by governments and “Big Data” firms to monitor consumers of on-line banking and commercial services. The typical on-line consumer is unaware of the steps that they can take to limit the quantity of surveillance. In essence, these ‘big data’ firms attempt to profit from the lack of computer sophistication in preventing the loss of their privacy. Today, our definition of privacy change in the computer era. Computer privacy differs among nations and among citizens of nations. Until the definition of privacy is universally accepted and maintained, information obtained by on-line firms about their customers can be utilized by unscrupulous parties for their own gains.

Last, consumers must be educated to use software to prevent their privacy being lost. There is no doubt that on-line bankers and commercial establishments must create methods by which unscrupulous on-line firms to maintain the privacy of their customers and their activities. Warren [2] added much to the study of banking law, although not specifically about internet banking, to the problems arising when predatory lenders and unscrupulous bankers use their influence to prevent adequate legislation at the federal at the federal and state and local level. Legislation is necessary to prevent to prevent consumers from predatory practices from unfair lenders, suppliers and others who seem to dupe consumers of both commercial and financial products. “Big Data” enables unscrupulous internet bankers and Ecommerce practitioners from activities from activities practiced by the purveyors of these activities. Banks have powerful lobbyists to prevent legislation to set parameters to prevent consumers from being duped by contracts designed to

confuse consumers. Arbitration rules designed are often implemented to prevent consumers from protecting themselves. Even “Free Markets” must have rules of fair play but often these ideas are lobbied to death.

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