



Italian Banks Charging Into The Internet

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Pecenik Miran has been with Banca di Credito di Trieste since 1978. With past experience in CED, he moved to Organisation a couple of years ago, where he has been coordinating several projects such as the creation of an integrated internal network, the introduction of distributed office computing, the revision of the internal IT system and a pilot project on the Internet. At the moment he is Head of Information Technology.

Banks! What unassailable, gray and double-breasted institutions, what symbols of stability and safety, austere filled with columns, capitals and arches!

Yet, even in Italy they are discovering the Internet. In the United States it is normal for banks to be on line, providing the largest spectrum of services, without overarching concern over problems of security or over the exact measurement of diffusion among businesses and households. Now that scores of American banks can be found on the Net, the phenomenon shifts to Europe on a massive scale, first in the United Kingdom, and then on the continent. Even in Eastern Europe a significant number of banks are now on the Net.

In Italy banks started to develop their sites during the summer of 1995. Six banks came to the Web in the last fortnight of September and among them there was ours. From the very beginning we have been monitoring the development of new sites among Italian banks, with a dedicated page <http://www.bctkb.it/bctkb/finabkit.htm> where one can nowadays find around 70 links.

Dividing these sites geographically, one finds that 65% of them lead to banks in the North of the country. Looking at the number of pages, one discovers that 33% of all sites either provide one page only, or are not available anymore. Only 10% of all banks offer surfers a menu with more than 50 pages. The same percentage of banks provides pages in English, only one of bank has pages in Slovene and again only one in German. As for technology, only 5% of all sites makes use of Java and another 5% of Netscape 2.0 frames.

With reference to the kind of service provided, one can identify a range of corporate strategies. The information available can be divided according to the following criteria:

- **STRUCTURE OF THE BANK** (organization chart, ownership structure, internal organization, balance sheets and financial statements, history, description of hardware) with address of local branches (photographs of staff members, branch supervisor, up to the managing director, with search engines on a database of some hundreds of records, a list of branches abroad), of financial intermediaries, of shops accepting bank charge-cards (POS) and of affiliated banks abroad (including their web links);
- **DESCRIPTION OF PRODUCTS AND SERVICES** (divided according to customer group: kids, young people, elderly people, professionals, businesses, women, artisans, etc.), offer of the month, bank information (info brochures available to customers), bank manuals (documents necessary to open or renew an account, a credit scheme, or a mortgage, to request direct payments or direct debits facilities, to order a credit card, to communicate the loss of a check, to purchase treasury bonds, to block cash cards);
- **ADVERTISEMENT CAMPAIGNS** (sponsorships, cultural events, advertisement on checkbooks, free-phone promotion, telephone banking or traditional home banking, publications, participation to fairs and congresses,

- press reviews);
- FINANCIAL NEWS (on line data on the stock exchange or on currency markets, periodic news on national or international economic conditions, research of past interest and exchange rates, financial glossary);
 - INTERNET SERVICES (service provision, lease to business of hard disk on the server and of service therefor, special offers to finance Internet link), navigation (link to external sites grouped by type of customer, links to other banks, especially virtual banks in the States or to parent banks, links to other Italian banks), electronic mail (direct e-mail, e-mail using forms or e-mail to the Internet provider for those banks on the Internet using outsourcing), pages for "those in the business" on html references, counters, downloadable teaching or technical software, on-line technical manuals).
 - INTERACTION WITH CUSTOMERS (request of meeting, communication via forms, request of cash cards, simulation of credit or mortgages repayments plans, electronic C.V. to help young people to find a job, complaints counter)
 - OTHERS (picture of the local coffee shop or of the mayor, art galleries, golf tournaments, auction sale of goods, what's new, calendar, local news)

Given such a wealth of information, one could feel that nothing is missing. I disagree. There is still a great deal for everybody to do, before one can say that Italian banks are truly on the Web.

I feel that the main deficiencies can be groups in four categories and more precisely:

- 1) lack of HOME BANKING, both on informational and on operational, possibly integrated with existing automatic informative services (which by then become outdated). From a survey carried out this year at Cebit in Hannover it is clearly visible that customers want more financial services - it seems that, up to now, no European bank offers a decent Internet-banking, whereas in Italy unconfirmed rumors claim the start of two such banks in the very near future....;
- 2) FEAR OF NATIONAL COMPETITION (the larger the number of links offered, even when targeted to specific groups of customers, the higher the frequency at which users come back to the initial link page, the higher the contribution to an improvement in the quality of the whole site): it is necessary to pursue cooperation with competitors to ensure a better service to customers;
- 3) availability of GENERAL INFORMATION to net-surfers on how to interact with banks (for all banks, the number of customers-visitors is extremely low), providing at the same time less data on one own bank (but choosing the most significant ones) thus EASING to the greatest extent navigation (it costs us nothing, but a lot to the reader), avoiding graphic-intensive pages and monitoring the speed of outgoing pages at other providers;
- 4) insufficient VISIBILITY of banking sites, both nationally and internationally (up to date there is normally an average 6 to 7 Italian banks on most common lists, which is far too little) perhaps by offering to integrate one own information with that of other local providers, as to create a unique virtual site, that becomes visible even in so-called geographical lists like CityNet, Yahoo, Virtual Tourist, etc.

From what appears within the interbank circuit, one can forecast that banks will shortly be forced to have something "Internet-like" in house. Thanks to services initiated by some larger banks (Credito Cooperativo, Caribusiness, etc.), many smaller banks will start to perceive the WWW as both an internal and external tool to initiate a technological and generation rejuvenation. So that, to end this essay with some imagination, banks would be no longer perceived as something from the past, but maybe referred to with a new acronym: BBB (Building Best Bank)

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