

BANKING MADE EASIER (1)

Convenience of using electronic channels

Waiting in a queue is something that most people don't relish, whether that happens to be in a bank or elsewhere. However, in this day and age, going about one's banking needs has become so much easier, simpler and faster by using the electronic channels in which banks have invested millions to better serve their customers, as well as to render the banks' own operations more efficient.

With so many ATMs available in all localities, why should customers choose to line up at a cashier to deposit cash and cheques? Even the inconvenience of having to deposit cheques could be cut down by arranging a 'direct credit', i.e. for your salary, pension or other regular receipts to be credited directly to your bank account by the payer.

And why is the use of cash still so prevalent in our country? Cash can be lost or stolen, and need only be carried around to pay for small daily purchases. Otherwise, debit cards or credit cards can more conveniently and safely be used to effect payment in most retail outlets, both in Malta and abroad. In the latter case, you need to have an international debit or credit card, which can also be used for online shopping, purchase of airline tickets, booking hotels, etc. Cards can also be used to settle bills from various local service providers. Bills received for water and electricity, telephones, insurances, licences, etc. include a detachable chit on which all the consumer has to do is fill in his card number and its expiry date, sign the chit and mail it back to the service provider.

Another even simpler way of settling such bills is by arranging a 'direct debit' with the service provider. All this involves is giving a one-time authority to the service provider to collect payment of all future bills by directly charging your bank account. The amount of each bill to be debited to your account, and the date on which it will be charged, will be notified to you in advance by the service provider. If you disagree with the amount charged to your account, you can instruct your bank to reverse the full amount of the charge. And you have the right to do so up to eight weeks after your account has been debited. No questions asked – simple, efficient and safe.

Then there is internet banking, available 24x7, to carry out so many transactions in your own good time from the comfort of your home, or even elsewhere. This allows you to view your bank accounts, effect transfers to third parties, order cheque books, stop payment of a cheque, set up a standing order, and do so much more. This puts banking literally at your fingertips.

With all these alternatives available, it is quite surprising that so many people still go to the trouble of queuing in bank branches or at service providers when they do not really need to. Some of these people, in particular senior citizens, may not feel comfortable using modern electronic channels. That is understandable, though this can be overcome by trying to do so

once or more with the guidance of a bank official, who would be more than happy to assist. Other people do not trust electronic banking, fearing possible errors, abuse or fraud. Banks have gone to great lengths to protect the safety and integrity of their systems, and customers need not be concerned so long as they are not negligent or fail to stick to the basic safeguards which they are expected to follow. These issues will be explained in another article which will be published as a follow-up to this one.

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