

The use of the Internet in Algerian banks - a case study of the Algerian Popular Credit Bank

استخدام الانترنت في البنوك الجزائرية-دراسة حالة بنك القرض الشعبي الجزائري

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ABSTRACT

This study aims to identify the reality of implementing the use of electronic services in Algerian banks, as Internet technology has become necessary for all commercial, financial and banking activities, which forces Algerian banks to rely on Internet technologies. We found that the Algerian banking system faces many difficulties while providing its electronic services, which This makes it an obstacle to investments and e-commerce for customers and economic clients. In our study, we also touched on the case of the Algerian Popular Credit Bank in providing electronic services, which was able to achieve remarkable progress in this by providing electronic banking services, electronic payment, and the CPA mobile application.

Keywords : Internet, electronic banking, Banking services, electronic payment

JEL classification: G20 , L81

ملخص

تهدف هذه الدراسة إلى التعرف على واقع تطبيق استخدام الخدمات الالكترونية في البنوك الجزائرية، إذ أصبحت تكنولوجيا الإنترنت ضرورية لجميع الأنشطة التجارية والمالية والبنكية، ما يفرض على البنوك الجزائرية الاعتماد على تكنولوجيات الإنترنت ، وجدنا أن النظام المصرفي الجزائري يواجه صعوبات عديدة أثناء تقديمه

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لخدماته الالكترونية ، ما يجعلها عائقا في وجه الاستثمارات والتجارة الالكترونية للزبائن والمتعاملين الاقتصاديين. كما تطرقنا في دراستنا إلى حالة بنك القرض الشعبي الجزائري في تقديم الخدمات الالكترونية والذي استطاع تحقيق تقدم ملحوظ في ذلك بتوفيره لخدمات البنك الالكتروني ، الدفع الالكتروني وتطبيق

موبايل cpa

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1.Introduction

The control of internet technology is considered A global standard for measuring development, as the internet has become inherent to all business activities, especially with the development of e-commerce In Algeria, Which ensures direct contact with customers and Partners, which necessitates the need for Algerian banks to keep up with them, but we find that Algerian banks are still in their early stages of relying on internet technologies, where most of their services are limited to withdrawals and electronic payment by debit cards ,and they should strive towards Development of the quality of banking services provided, from In order to accelerate the entry into the era of e-commerce, applications E-banking through the internet, which further facilitates banking services for customers and economic institutions.

The problematic of our study can be formulated as follows:

What is the reality of using the internet in Algerian banks ?How to develop electronic services in Algerian banks?

1-The importance of using the internet in providing banking services:

With the transition to the age of knowledge and Information Technology, and with the advent of electronic commerce, the banking industry has known the application of new systems and means that have achieved speed in making the most of what this modern technology allows, mainly represented by the widespread use of the internet.

1.1: Internet banking – e Banking

These banks represent All banking activities of ordinary banks through The use of the internet as a communication channel in the provision of remote banking services .

1.1.1 tasks of internet banks: Its tasks are to provide traditional or innovative banking services, which the customer needs through the internet 24 hours a day, seven days a week through a personal computer without any obstacles by:

- Providing information about the services performed by the bank without providing banking services on the network, advertising these services only.
- Customers get limited services such as identifying their transactions and account balances, updating their data and applying for loans.
- Customers requested about banking operations such as money transfer, the banking services intended here are opening accounts, transferring between accounts locally and abroad and inquiring about account balances, requesting Account statement or provision of checks and direct investment in stocks, bonds and foreign commissions locally and abroad (**al-tarad, 2006, p. 224**) .

1.2 Banking services Via the internet:

The introduce of banking services via the internet has a great importance increasing with its diversity.

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1.2.1- classification of Online banking services:

They can be classified into four types as follows:

- **Information services:** The bank offers and markets its services and products that it offers to customers in its traditional branches through a website on the internet, this type of services does not include high risks due to the lack of an electronic communication channel via the internet

- **Communication services:** These services involve higher risks, as it allows some kind of limited connection to the bank's internal information network and systems, an example of such services is: requesting an account statement and applying for credit facilities .(gahosh, 2001, p. 37)

- **Executive Services:** Allows the bank customer to perform the required online banking service where the customer can make cash transfers from the account, pay bills and perform operational operations on his account...These services are considered the most advanced and risky at all, and therefore the bank needs to take all the necessary precautionary measures to guard and control its risks. (gahosh, 2001, P. 38)

- **advanced services:** In this type of services, the bank provides on-line consulting services to clients, in addition to providing economic feasibility study services and available investment opportunities.

1.2.2-benefits of banking services-online-for customers:

The provision of these services on the internet has many advantages and benefits for customers, the most important of which are:

- Giving customers more ability to choose the most suitable banking service for them, and this advantage provided by the internet is considered a qualitative leap in the relationship of banks with their customers.

- Providing banking services all days of the week and throughout 24/24 hours, meaning continuous service 365 days a year, including holidays and holidays, and non-compliance with the bank's official working hours.
- Enabling the customer to view the account to find out interest rates, exchange rates, loan installment due dates, ease of making money transfers from one account to another with the possibility of connecting to the bank's website from anywhere in the world, Office, mobile, wherever there is an internet service (gahosh, 2001, p. 40).

2: the reality of using the internet in Algerian banks:

Algerian banks are experiencing many complex problems that appear especially during the provision of services, so that they stand as an obstacle to their development and a barrier to investments, these problems usually relate to efficiency and speed in performance, in the absence of electronic networks connecting banks to facilitate the exchange of information and the implementation of tasks quickly.

2.1: the importance of adopting online e-banking-on line-in the Algerian banking system:

The adoption of the banking system Algerian via internet will allow the system to the modernization of its services including the Bank of Algeria, or other financial institutions, they grant privileges that can be limited The following are:

- The fact that Algerian banks regularize their activities and internet banking services reduces the expenses incurred in performing their services ,and saves the cost of establishing new branches of banks in remote areas, especially since Algeria is a large country.
- The use of the internet by international banks and the competitive capabilities they have become, has led to the need for Algerian banks to enter

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this service to meet the challenges of electronic commerce and international finance.

2.2: electronic services provided online by Algerian banks:

One of the most important aspects of banking services is electronic banking on the line, but the capabilities of Algerian banks did not allow this, the idea of establishing the company "Algeria for electronic banking services" ‘ To help Algerian banks provide their traditional services via the internet, one of the examples of these banks is the Algerian popular credit bank.

2.2.1-Algeria company for remote electronic banking services AEBS :

It is a mixed company established in January 2004, this company provides its services related to remote banking on distance, to all banks and financial institutions with different types of customers (large institutions, corporate groups, merchants, professionals) by providing a variety of services with a high degree of security and safety in the performance of operations. (Algeria electronic company).

2.2.2-objectives of Algiers electronic banking services company :

- Offering customers (banks and financial institutions) solutions based mainly on multi-channel services and high efficiency with complete security of information exchanges.
- Adapting the services according to the needs of each customer and according to his wishes.
- To meet the needs of financial institutions by proposing online services through multiple software through the company's website www.aebs-tech.com

- It connects the customer with the bank directly and provides various online banking services on online 24/24 and 365 days a year from the customer's headquarters or even on his travels.

2.3 obstacles to the application of electronic banking "E-banking" in Algeria:

The Algerian banking system is aware of a significant delay in terms of new information technologies, and therefore e-banking has not been used in Algeria for various reasons, including:

- Most customers do not accept the idea of buying online because they feel the risks related to the quality of banking services provided via the internet and their desire to examine and confirm them.

-This very modern system in the modern world requires modern equipment and experts in the field of automated information and communication, and this is something that our country lacks, or rather they are not used in our country.

- The information security system is ineffective in our country, or in the sense of weak insurance means and technologies that require effective control over them.

- The lack of cooperation and coordination between the branches and units of the Algerian banking system in the field of electronic banking and financial industry and Information investment.

- The legal and legislative structure of Information Technology and e-commerce in the banking system is a major obstacle , and this is one of the most prominent challenges of applying electronic management in the banking business environment.

- The implementation of this financial service also poses new problems for the authorities through the requirements of regulation and control of this financial system.

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2.4: factors of expanding the use of the internet to provide services in Algerian banks:

In order to make the most of internet technology in providing electronic banking services to customers and institutions, it requires several procedures based on the activation of the role of the state and the central bank with the participation of Algerian banks and various concerned partners, in this framework, the following should be done:

-Enacting legislation related to electronic payment systems that regulate the relationship between banks and their customers.

- Developing the supervisory and supervisory role of the central bank on banks to cope with the many risks that banks have become exposed to under the use of modern technologies .

- Holding educational and training courses for the staff and frames of Algerian banks on electronic marketing and its importance in achieving competitive advantage at the local, regional and international levels.

- Supporting and motivating institutions to network.

- Adoption of the popularization of the use of the internet in Algerian banks .

- Work on the creation of internet networks between banks to facilitate the transfer.The development of electronic communication networks by the internet, the establishment of a system of instant gross settlement, the development of the use of electronic money, credit card, online payment.

- Sensitizing the Algerian customer to the advantages of the electronic bank, through various incentives, publicity, and providing facilities in this regard.

- To develop and strengthen the Algerian banking system, especially with regard to the transfer of virtual capital, and to stand against any possible

encroachment because the banking sector is a sensitive sector, especially when it comes to state funds .

- Improve the effectiveness of electronic equipment against any emergency deficit.

3. Online electronic services provided the Algerian Popular Credit Bank:

Under the remote Bank, to what is known as " e –banking"; **the Algerian Popular Credit Bank** offers several electronic products to customers via the internet, which contribute to greatly improving the services provided to the customer from easy access without the hassle of commuting to his banking agency, as it is enough to have a computer connected to the internet or a Smartphone and it is available 24/24 hours a day, all days of the week 7/7.

3.1: services of The digital platform:

Customers are allowed to benefit from banking services such as: checking accounts, balances and financial transactions Order checkbooks, credit cards, bank transfers and Bill Payments. Thus customers can from their computer And in a completely safe environment the implementation of many services, as indicated:

3.1.1-access to the digital platform e-Banking

To connect to the " e-bank online service, the customer just has to launch his web browser and through it enter the website address : <http://ebanking.cpabank.dz/fr/>

The platform interface is shown as shown in the following figure:

Figure No. 01: connection to the bank's e-Banking platform

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Source: usage guide from the website: <http://ebanking.cpabank.dz/fr/>

After that, the username and password of the customer subscribed to this service are entered.

3.1.2-home page

Once you connect to the online e-services platform, you can access the various services that the customer has subscribed to as per his request as shown in the figure below:

Figure No. 02: the main interface of the digital platform



Source: platform usage guide,website: <http://ebanking.cpabank.dz>

3.1.3-view recent banking transactions:

The my operations feature appears on the main page and provides you with the possibility to view the last (05) five operations performed on the customer's account as shown in the following figure:

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Figure No. 03: recent banking transactions

Mes Opérations	
RETRAIT CHQ NUM 7607150 10 avril 2019	+ 500 000,00 DZD
PAIEMENT CHQ NUM 7606983 10 avril 2019	- 300 000,00 DZD
PAIEMENT CHQ NUM 7607079 10 avril 2019	- 132 000,00 DZD
PAIEMENT CHQ NUM 7607059 10 avril 2019	- 120 400,00 DZD
PERCEP.COM SUR PAIEMENT... 10 avril 2019	+ 59,50 DZD

Source: cpa-ebanking ,website: <http://ebanking.cpabank.dz/fr/>

3.1.4-download the statement of accounts

The e-Banking online service allows you to download the process statement on the customer's computer using the format that he predefines according to the available download formats and is in the PDF, CS V and excel file format, as we show in the following figure according to

the PDF file format :

Form No. 04: Bank statement

Crédit Populaire d'Algérie
Agence : AIN OULMANE
Adresse : Avenue KANOUNI Athmane

Date d'édition : 08/06/2020 14:57

RIB : 00400351400085771170
Adresse BIC : CPALDZAL

Titulaire du compte : SNC STATION SERVICE KEBB
Adresse : ROUTE NATIONALE N 28

Monnaie du compte : DZD

Solde initial : 2 029 629,13 Solde au 03/06/2020

Solde final : 76 001,23 Solde au 04/06/2020

Liste des opérations (6)

Date d'opération	Opérations	Date de Valeur	Débit	Crédit
04/06/2020	PAIEMENT CHQ NUM 1323737	03/06/2020	728 477,10	
04/06/2020	PAIEMENT CHQ NUM 1323731	03/06/2020	666 415,20	
04/06/2020	PAIEMENT CHQ NUM 1323735	03/06/2020	558 557,10	
04/06/2020	PERCEP.COM SUR PAIEMENTS CHQ	03/06/2020	59,50	
04/06/2020	PERCEP.COM SUR PAIEMENTS CHQ	03/06/2020	59,50	
04/06/2020	PERCEP.COM SUR PAIEMENTS CHQ	03/06/2020	59,50	
Total			1 953 627,90	0,00

Source: Algerian Popular Credit Bank ,website: <https://www.cpa-bank.dz/index.php/fr/>

3.2: online electronic payment CP@ - e :

- When conducting an e-commerce operation, after registering on the site **www.cpa-bank.dz** and entering all the required information (card number, card expiration date, on the website of the Algerian e-merchant, a special SMS is sent to the holder, valid only for completing the current electronic payment. According to OTP protocol, (one time password) any password is valid for one operation, with the aim of securing online transactions conducted by holders of a bank payment card. The cardholder will receive a new password for any new electronic payment (cpa bank).

3.3: Mobile CPA application on smartphone :

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By this application, subscribed customers can view their accounts from their Smartphone, download and install the Mobile CPA application via the App Store or Google Play application

This service is available to customers by smartphone or tablet (cpa-ebanking):

- View the balance of accounts (Dinar, hard currency, savings) and all previous operations ‘
- Making local transfers of amounts less than one 01 million dinars remotely for the benefit of one or more beneficiaries without going to his settlement agency ‘
- Download the bank identification statement (RIB) and the possibility of sending it by SMS or e-mail; request a checkbook‘
- Communicate with the client's agency by e-mail or phone safely ‘
- Locate all cpa agencies and specify the exact route to reach them when needed.

4.Conclusion:

The implementation of internet banking services in Algeria is still in its early steps, as this new service requires very important resources, especially human and financial, and Algerian banks should take the advantages to introduce new methods and means of payment, collection and conducting online business exchanges with its various customers and enhance the competitiveness of banking services.

Results of the study:

- Algerian banks suffer from a lack of electronic banking services, as The scope of its handling is limited to some bank cards .

-Online Services in Algerian banks provide mostly information services, but there are few Executive services due to the sensitivity of this type of services and its need for tight technological and security procedures.

- The entry of Algerian banks into the system Global e-services requires an integrated strategy and a clear vision; In addition to appropriate modern technologies, it requires investments It is also necessary to develop means of protection and security in order to ensure the confidentiality of all operations Banking.

- The Algerian Popular Credit Bank has initiated the development of the provision of electronic services via the internet, where it has introduced several new banking services, the most important of which is remote banking or what is known as e-banking; it allows customers to perform several banking operations remotely (via the internet), as well as electronic payment via the internet, Mobile CPA application.

Recommendations:

- The need to have a wide electronic network that includes all financial bodies related to banks, and connected to the global internet network secured through all stages of financial and banking transactions.

- Develop a phased plan to start introducing electronic banking services in accordance with priorities determined by a strategic plan at the central bank level, including the country's position on the political map, its financial cooperation with other countries, and that all competent parties be involved in the development of this plan.

- Developing banking applications in Algerian banks and directing this effort to benefit from the accumulated experience among bankers and technicians in banks.

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- Supporting and encouraging regional and international cooperation in the field of banking services through internet applications, and benefiting from the experiences of developed countries in this field.
- Work on the creation of internet networks between banks to facilitate the transfer. The development of electronic communication networks by the internet, the establishment of a system of instant gross settlement, the development of the use of electronic money, credit card, online payment.
- Sensitizing the Algerian customer or client to the advantages of the electronic bank, through various incentives, publicity, and providing facilities in this regard..
- Improve the effectiveness of equipment against any emergency deficit.

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