

Ten more years of real money

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Credit: George Hodan/public domain

We will still be using "real" money for at least the next 5 to 10 years, but financial transactions carried out using mobile electronic devices, such as smart phones and tablet computers, will increasingly become the norm during that time period, according to research published in the *International Journal of Electronic Business*.

Key Pousttchi and Josef Felten of the University of Augsburg and Jürgen Moormann of Frankfurt School of Finance & Management, Germany,

explain how [social media](#) and mobile devices are being utilised increasingly by banks while the power of the individual customer is being augmented by the same technologies. Moreover, those technologies are also leading to novel financial services such as online bartering systems and virtual currencies, crowd funding and online social borrowing and lending. Given that the banking sector was among the first industries to widely adopt information technology - everything from [financial planning](#) and credit-decision systems to automated teller machines - none of this is any surprise.

However, in order to understand future trends, the team has carried out a Delphi study, a systematic and interactive forecasting methodology, the results of which suggest that mobile finance will continue to grow during the next decade in retail banking, but conventional transactions will remain largely predominant for at least another 5 to 10 years.

Underpinning the evolution of finance is the perhaps too slow recognition by financial institutions that the relationship between customer and bank remains important and especially so in the age of social media and networking. In that era, everyone's opinion can count and a simple mistake or disinterest on the part of a corporation can become today's "viral" news story and a possible step down the road to ruin for the unwary company.

The team's study demonstrates that complex issues will continue to be dealt with through direct, personal communication while standard processes will be subsumed by new media tools providing customer and bank with the new typical form of access.

More information: "The impact of new media on bank processes: a Delphi study." *International Journal of Electronic Business*. [DOI: 10.1504/IJEB.2015.068305](https://doi.org/10.1504/IJEB.2015.068305)

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