DO BANKING APPs IN COLOMBIA CONTRIBUTE TO FINANCIAL EDUCATION?

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ABSTRACT

This paper reflects on the contributions to financial knowledge offered by banking applications in Colombia. For the analysis, the infoknowledge approach is used to detect benefits and opportunities for this type of technological applications.

Keywords: Infoknowledge, Financial Education, Internet Banking, Banking App.

REFLECTION

Transactions through mobile banking (app) in Colombia increased from 84.55 million in the first half of 2016 to 1,667 million in 2019. That is historic for a country where Internet transactions had been the most widely used channel in the past. (Monterrosa, 2019) To support apps' use, banks promote financial education programs, ranging from teaching in schools to instructional mailings, personalized attention, and disseminating the applications. However, do these actions transcend to apps designed for mobile devices?

In this regard, a review of the complaints filed with the Colombian financial superintendence is made. (Superintendencia Financiera de Colombia, 2021). These failures can be primarily associated with a lack of financial education on the applications, which implies that the banking institutions' actions still have bottlenecks in this type of service. This information makes it necessary to analyze the most used apps in Colombia. (Colombia, 2020), including those of the Davivienda and BBVA banks. For the analysis, the infoknowledge approach is used to detect benefits from information and knowledge and possible opportunities for these Apps.

The Davivienda's app offers the possibility of purchasing a mobile wallet, credit and debit cards, vehicle credit with its respective information that allows the customer to learn about benefits. It also allows the client to know his monthly expenses and thus be able to plan financial actions. The BBVA's app promotes investments by presenting detailed information about the product, conditions, terms and minimum amounts. BBVA's app has an essential set of transactions with information to support the client's financial education.

However, in both apps there are opportunities such as: allowing the opening of products online with an instructive description for the client, the existence of operations not yet allowed, such as credit applications, providing knowledge about the necessary documents, approvals and risks. Likewise, it is not possible to follow up from the apps, nor can they explain processes or pending procedures -traditional banking is used for all of this. Apps may have security flaws because although there are campaigns that remind people not to give out passwords, even the financial training mechanisms within them are deficient, which leads to privacy violations and identity theft problems. Simultaneously, banks need

to centralize their different apps because there is no clarity about each one's function, making it difficult for the user to understand, and there is a duplication of functions.

Despite allowing transfers between accounts and payment of services, they do not show information that allows customers learning about these operations and do not provide early warning of maturity of obligations.

Although apps are in a critical period of growth, they must consider elements that contribute to learning for any user. Their operation cannot be aimed only at people with financial literacy but must consider new clients, aged users, and customers from different social stratum.

NOTES

Infoknowledge is based on information and knowledge flows between actors, their experiences, learning and competencies. (Cabañas & Alba, 2020)

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