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Title **SURVEY ON NEO BANKING - THE FINTECH REVOLUTION**

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SURVEY ON NEO BANKING - THE FINTECH REVOLUTION

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ABSTRACT

When customers are used to 5G internet speeds and lightning-fast home deliveries, waiting an entire day for a transaction to finish becomes irritating. Standard banking institutions are concerned with long wait times, security, and set work hours. So, the fintech world came up with a solution to this problem with 'NEO BANKS'.

"NEO" stands for New. These neo banks are meant to be smart, accessible, and quick. Neo banks provide personalised experience to their customers. Since they are technology centric, data analysis plays a key role in maintaining good customer relations. Neo banks do not appear physically but have a more impact than traditional banks. Neo banks are simply, fully automated banking systems that work online delivering the best user experiences along with great security.

I. INTRODUCTION

As the world transitions into the digital era, the financial sector embraces digital services in all facets of its business operations. Customers in banks and financial organisations are heavily reliant on digital services. The importance of profitability and simplicity of operation advantages for banks, while clients benefit from ease, affordable fees, and anywhere transactions. In the banking industry, these services are typically referred to as E-banking. A significant e-banking revolution called Neo Banks is currently in progress.

Neo-Banks, also known as challenger banks, are digital-only financial institutions that provide customers with a full banking experience via a mobile or web-based application. Neo-banks enhance traditional core banking products with a digital overlay, cutting operational costs and giving consumers a more personalised experience.

Neo-banks require an optimal design that comprises of modern technologies like cloud computing, Artificial Intelligence and Machine Learning. The combination of these technologies provided with data security makes these Neo-Banks reliable in the industry and they are here to stay.

II. LITERATURE SURVEY

Neo banks' significance has increased recently, and it is important to note that they have become a driving force behind economic development. Economic development may only be accomplished successfully by heavily relying on technology, automated computer systems that use algorithms, application interfaces, block chain technology, and AI tools and applications. Here, the lines between Fintech start-ups and Neo Banks are becoming less and less clear.

In the coming decade, the development of Neo banks, or Digi banks as they are often known, will be crucial in bringing about financial transformation and inclusion and

integrating those at the bottom of the pyramid.

S. K. Pant (2020).

Emerging trends in fintech. The role of fintech in utilising technology to provide banking and financial solutions to individual and business consumers has been reviewed in Telecom Business Review. He claims that it is one of the industries that is expanding the quickest in both established and emerging nations, with India having one of the top three fintech start-ups worldwide.

Fintech companies are utilising blockchain, cryptocurrency, AI, data analytics, machine learning, big data, robotics, and cloud technologies to deliver products. The IMF is focusing on using fintech for cross-border payments using distributed ledger technology. Other emerging trends include augmented reality for customer satisfaction, crowd-funding, crowd investing, robotic investment advisory, future relationships between banks and fintech firms, and central bank regulatory roles.

Corander, B. (2021),

From the perspectives of society and customers, has evaluated the difficulties, dangers, and opportunities that NeoBanks entry into the banking sector has brought. In particular, they consider cybercrime related to technology in the financial sector, along with the risk linked with Neo banks and conventional banks. They continue by saying that while it is difficult to forecast the anticipated business strategy, market share, and financial performance of Neo banks, it may be expected that the disruptive innovations that result from governments and central banks opening crypto currencies as well as open banking-related EU rules will have

an impact on the banking industry in the future.

Al-Somali, Clegg, and Gholami (2009)

Looked into whether Saudi Arabian customers found internet banking to be acceptable. The study's objectives were to promote the usage of internet banking and to improve it creating contact with customers. The results show that sociocultural factors affect self-efficacy, computer skills, and awareness of internet banking. Online banking usage is significantly impacted by the quality of an internet connection.

Hopkinson, TurcamKlarova, (2019)

The study concentrated on the actual changes that the Neo Banks underwent. Both the importance of the Neo Banks' development and the causes behind it were underlined. Only because of Neo Banks can make customers invest in mutual funds, claims the report having a variety of options for financial services and the capacity to invest.

Palepu, Advait Rao, 2019

In his research, aimed to demonstrate a connection between capital investment and Neo Bank reachability. The study examined whether the limitations placed by the RBI on these NEO banks were necessary. The author also claims that because to the demand for digital services, India will be the market where neo banks will prosper more and in a better way than any other.

Corrocher, N.(2002)

Does Internet Banking Replace Traditional Banking? is the title of the author's article. With a clear investigation made by internet banking and traditional banking to bring about the two systems of financial services that were delivered by the compliments of

the two banks, The empirical evidence from Italy looked into the full determinants of the adopted internet works technology for the provision of banking services in the Italian context. The findings imply that one of the alternatives to traditional banking is internet banking. The fullest

evidence that banks offer cutting-edge financial services tends to favour conventional banking procedures.

III. RESULTS AND DISCUSSION

S.NO	Year	Author	Remarks
1.	2020	S. K. Pant	This article claims that it is one of the industries that is expanding the quickest in both established and emerging nations, with India having one of the top three fintech start-ups worldwide.
2.	2021	Corander, B.	From the overview of society and customers, has evaluated the difficulties, dangers, and opportunities that NeoBanks entry into the banking sector has brought.
3.	2009	Al-Somali, Clegg, and Gholami	Investigated whether the Saudi Arabian customers found internet banking to be acceptable. The main objective of this is to promote the usage of internet banking and to improve it creating contact with customers.
4.	2019	Hopkinson, TurcamKlarova	This article concentrates on the actual changes which Neobanks underwent. Only because of Neo Banks can make customers invest in mutual funds, claims the report having a variety of options for financial services and the capacity to invest.
5.	2019	Palepu, Advait Rao	In his research, aimed to demonstrate a connection between capital investment and Neo Bank reachability, also claims that as there is a huge demand for digital services neo banks will prosper more in India.

6.	2002	Corrocher, N	In this article, the findings imply that one of the alternatives to traditional banking is internet banking.
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IV.CONCLUSION

Neobank is the future of the banking sector. Due to the platform's wide range of services, customers and conventional banks may now conduct business with ease. It is vital to convert conventional banks into neo banks since people today demand that their work be finished in a matter of minutes rather than days. Because of the transparency of the working environment, corruption is also decreased. As a result, additional transaction costs such processing charges and other fees will be decreased. Neobank is introducing a variety of new user data and a user-friendly interface to its customers in order to conduct operations as simply as feasible.

The government would also closely monitor the money generated and distributed by the Neo bank. to promote the nation's expansion Neo bank concentrates on small and medium-sized businesses to provide financing at the lowest cost. Because most Neo Bank customers can file their GST returns and other indirect taxes, Neo Bank is a solid choice for quick payment, collection, and tax compliance.

Thus, digital banks and neobanks security systems must adequately address internal and external threats and provide an integrated approach to protection, specifically: to include all necessary organisational and technical measures, to protect all components of the information systems of banks (banking software, software and hardware complexes,

servicing of payment cards, electronic payments, remote maintenance systems, communication systems, and electronic document management systems).

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