Virtual banking can be defined as a bank without branch which offers its services by means of individual computers or electronic tools, ATM and telephone.

As virtual banks can’t put up with the cost of branch opening, they offer the savings obtained from the costing to their customers as high saving interest.

In the study, it will be mentioned from the definition of virtual banking to its advantages and disadvantages, and samples of virtual banks in the world, the superiority in costing per operation in comparison with traditional banking.

In conclusion, thanks to virtual banking, situation of earn and earn will occur, and costing in banking system will reduce, and this will reflect to the customers positively.

**Keywords:** Virtual Banking, Internet Banking, Traditional Banking.