



MODERN PAYMENT METHODS AND OUTLINES OF FORTHCOMING ADVANCEMENTS BY USING ELECTRONIC PAYMENT SYSTEM

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Abstract

Important security concerns are emerging as company shifts from in-person transactions, postal orders, and phone orders to electronic commerce over open networks like the internet. Securing payments using open networks connecting commercial servers and consumer workstations presents additional issues beyond the relatively safe electronic cash transmission across banking networks. The state of payment technology is reviewed in this article, along with some new advances.

INTRODUCTION

Internet usage has dramatically expanded in the current digital era. Every second, massive amounts of data are produced and consumed by all age counts. Several businesses are studying and making changes in response to the data they were able to gather from customer studies. The convenience of smartphones and the virtual accessibility of goods, services, and payments online have improved how consumers do their online business. To give customers a taste of the brand-new online economy and to earn their trust, the e-commerce sector first operated on a cash-on-delivery basis. The corporation began providing several channels for online payments after the clients were familiar with the business. E-Payment has given access to various financial platforms like debit card, credit card, net banking, digital wallets, etc. Cash has become a less common mode of transaction as the appearance of e-payments has allowed consumers and buyers with greater convenience, but at the same time it has raised a doubt or a threat as there has always been increasing issues regarding the fraud and privacy concern that has been the top fear in the minds of internet users.

We all have witnessed that the traditional payment modes have been replaced by various types of e-payments that are quick and efficient. In e-payment process both buyer and seller uses digital modes to send or receive money, it is an automatic process where seller and the buyer can avoid visiting their bank. It eliminates the physical cash that is risky to handle at times. Today consumers can make payment through electronic modes by using cards and other platforms that are made available through all types of smart devices. The acceptance of particular payments by sellers and businesses has an important influence on the purchases made by their clients, as the availability of the various modes help the consumer to choose that is suitable or available to them as well.

Past few years' smartphones are having a tremendous growth due to accessibility and availability of the internet. The mobile wallet providers like Paytm, PayPal, Mobikwik, etc. with the payback schemes also attracting many consumers to use e-payment modes aiding the organisations with significant growth. The digital wallets are further enabling economies to a cashless society. Electronic wallets and mobile wallets are moreover digital version of the hard cash in physical wallet with more features and functions. E-payments wallets reduce cost of cash holding and handling for the retailers. Retailers on online platform have introduced lucrative discounts and cashback offers to get payment orders for all the cashless payments. The online platform retailers have encouraged more customers to choose a payment mode other than Cash on Delivery, it also helps a business to retain their customer.

PayTM

India's largest payments platform is currently handling millions of transactions. This platform which makes



instant payments was founded in 2010. It is a platform which provides a digital wallet to store money. PayTM wallet can also be used to make bill payments, transfer money and avail services from travel, entertainment and retail industry. Payment links, reporting links, payment methods, are the rich solution feature of PayTM. PayTM has the largest saved cards repository.

Mobi Kwik

It is an independent mobile payment network that supposedly connects 25 million users with 50,000 retailers and more. It was founded in 2009 in Gurugram. It provides a digital wallet and mobile based payment services. MobiKwik allows its users to use cards, net banking and even cash on delivery service for the purpose of paying bills, recharge and shop in the market. Recently MobiKwik has tied up with grocery, restaurants and other offline merchants which are large and small time. There are total 10,000,000+ numbers of installs of MobiKwik

PAYPAL

An American company is operative in a global online payments system that supports online money handovers and serves as an electronic alternative to traditional payments methods. EBay is the parent company of PAYPAL. *PayPal* is the faster, safer way to send money, make an online payment, receive money or set up a merchant account. PAYPAL operates as a payment processor for online vendors, auction sites, etc.

PayUMoney

It is a Gurgaon based company which provides online payments solutions and enables the users to store cash and make payment for various transactions, goods and services. In order to differentiate themselves from other players, they provide a wide range of benefits that include one-touch check out and discounts / cashback offers on every transaction made. PayUMoney also ensures the right purchase and customer satisfaction by providing instant refunds on cancellation of an order also by protecting buyer's right. There are total 100,000+ numbers of installs of PayUMoney.

BHIM

It is a mobile app, developed by the National Payments Corporation of India. It is based on the Unified Payment Interface (UPI), where the bank details or even internet is not required to make payments. Simply using mobile number, aadhar card number, name or any bank's UPI ID anyone can send or receive money in any preferred language.

MERITS OF ELECTRONIC PAYMENT SYSTEM.

Electronic payment allows your customers to make cashless payments of goods and services through cards, mobile phones or the internet. It presents a number of advantages, including cost and time savings, increased sales and reduces transaction costs.

1. It saves more time
2. It's more efficient
3. It takes cash out of the equation
4. It's lower risk

DE MERITS OF ELECTRONIC PAYMENT SYSTEM

Service fees. Payment gateways and third-party payment processors charge service fees.

Inconvenient for offline sales. Online payment methods are inconvenient for offline sales



Literature Review

In this paper '*A Study on the Perception of Customers towards E-Commerce and E- Payments in Local Survey*' the authors S. Kowsalya, Swetha Krishnan, Mridhula. R, Sowmya. A.

M. mentioned that the trust in Ecommerce mainly depends upon the online payment system which allows a customer to make payment to the online merchant or service provider. Consumers are becoming more and more comfortable in making online transactions and are concerned about conducting electronic business transactions and the risks involved that have a vital impact on the transition of electronic business. Increasingly more consumers are migrating to e-commerce to make electronic bill payments, to pay for information online, to purchase products, services. According to the authors E-Payments refers to the technological breakthrough that enables us to perform financial transactions online, thus avoiding hindrances and other hassles. E-Payments provides greater freedom to individuals in paying their taxes, licenses, fees, fines and purchases at unconventional locations and at whichever time of the day, & 365 days of the year. The authors found that credit and debit cards will become obsolete, because they saw the increasing development of mobile technology and the internet industry. (S. Kowsalya, 2017).

In this paper '*A Study on Usage of PayTM*', the authors Abhijit M. Tadse and Harmeet Singh Nannade mentions that Digital wallets are quickly becoming mainstream mode of online payment and mobile users can nowadays use their smartphones to make money transaction or payment by using applications installed in the phone. The authors through their survey states that the PayTm has to work upon the Payment gateway to improve the transaction efficiency as 70% people faced problem with payment gateway. Only 5% people claim to have got assistance every time they had a failure so the service could be improved to cater the needs of maximum customers. PayTm is currently performing well in terms of privacy but it has to work upon discounts/offers, transaction time and bring about innovation to increase customer satisfaction. (ABHIJIT M. TADSE, 2017).

In this paper '*E-Payment System on E-Commerce in India*' the authors Karamjeet Kaur, Dr. Ashutosh Pathak mentioned that the reliable and cashless payment system offers immunity against theft of paper and e-money, and adopting e- payment solutions or systems for different reasons. In addition to cost reduction, reference was made to a number of other benefits, including improved customer service, improved working capital, increased operational efficiencies and cycle times, processing efficiencies and enhanced compliance to organizational policies and procedures. This study also states that online e-payment provides greater reach to customers. Personal attention can be given by bank to customer also quality service can be served. Various strengths of epayment systems such as quality customer service, greater reach, time saving customer loyalty, easy access to information, 24 hours access, reduce paper work, no need to carry cash easy online applications etc. (Karamjeet Kaur, 2015).

From this paper '*The Future of the Mobile Payment as Electronic Payment System*' the author Zlatko Bezhovski states that with all the security and convenience provided by mobile electronic payment method, we can expect further growth of mobile payments worldwide even surpassing payments made by credit and debit cards. However, there are several barriers identified to the adoption of this payment method; so certain measures should be taken to grant this industry a promising future ahead. This study finds that customers are increasingly using mobile payment methods for their routine online purchases and for their on-site purchases as well. With growing advanced technology that supports mobile transactions and makes them transparent and more convenient, consumers have developed their trust and habits on using mobile payment systems. Enhancing the compatibility with a wide range of users, the use of latest technology and establishment of common standards for various service providers, and overcoming the security and privacy issues could help in facilitating faster adoption of electronic payment methods and advance the rising market of mobile payments. (Bezhovski, 2016).

RESEARCH METHODOLOGY



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Both primary and secondary data are used in this research study.

Sample design: The method of non-random sampling has been used to collect the data from the respondents.

Data Analysis and interpretation: The data is analyzed and interpreted using google activities.

Statistical tools used for data analysis: Percentage analysis.

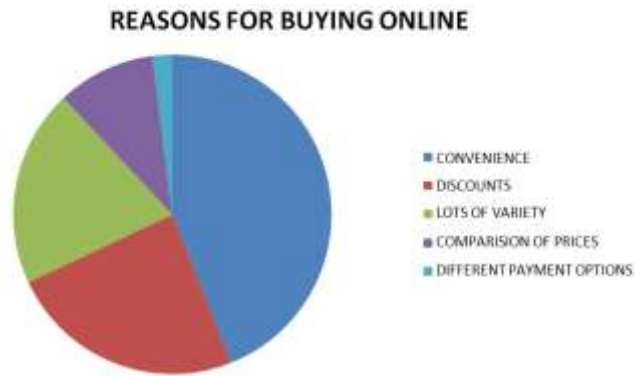


Figure.1. Reasons for buying online

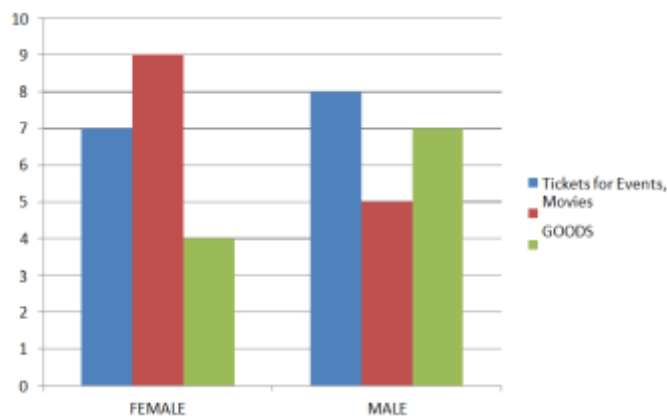


Figure.2. Online buying percentage

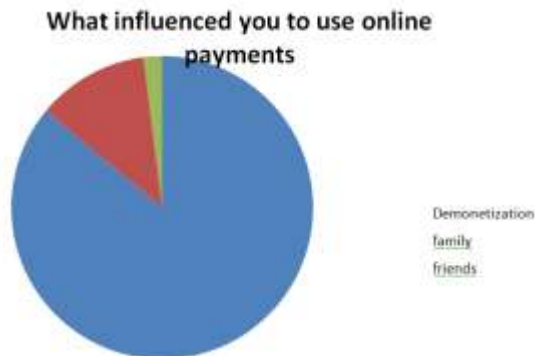


Figure.3. Online payments

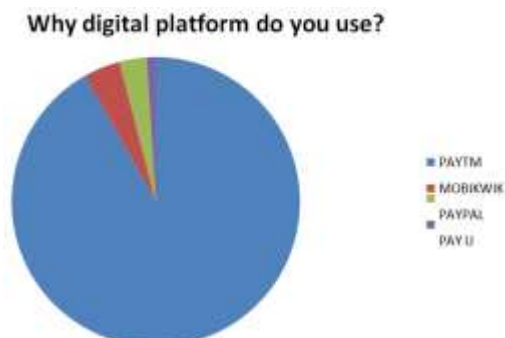
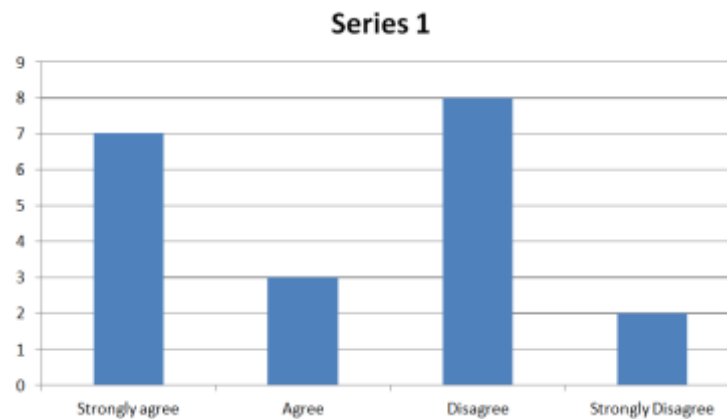


Figure.4. Digital platform



The organisations are trying their level best to attract the consumers towards using their ecommerce and payment platforms to increase their business, but there have been always a hitch in consumers mind regarding the security and privacy. For sustainable growth it is important for the organisations to consider various technologies to overcome the consumer's concerns. Technologies like blockchains are replacing the expensive, unproductive accounting and payment systems of the financial industry; it can also be used to improve efficiency of regulatory compliance procedures and save on the back-office costs, etc. Biometric is an advancement of payment technologies, many consumers usually forget the password or get scared to share the pin number, so biometric along with Internet of Things (IoT) and Artificial Intelligence (AI) will help consumer authenticate the purchase or bill payments through the finger print or a retina scan and also detect online fraud. This will help the consumers to build up the confidence and also improve user interface experience. These are few technologies that can be used to enhance the consumer's online payment experience. WhatsApp using Unified Payments Interface (UPI) implementation where the user just select the WhatsApp contact, enter the amount followed by the four-digit UPI pin and the funds will be transferred. Many organisations tie-up with already existing payment gateways that have already built trust for example in merchants like Book-MyShow, redBus, Yatra, etc.; their customers can use Amazon Pay as well.

FINDINGS:

- A maximum of 75% of respondents are between age 21-25
- A maximum respondents are males
- A majority of 90% are students
- A majority of people done their electronic payment mode
- A majority of people choose electronic payment mode
- A 50% people feel secured in electronic payment mode
- A 50% people feel unsecured in electronic payment mode

SUGGESTIONS

1. The payment gateway system should improve its security systems
2. The applications should fix bugs to avoid payment failures
3. The applications merchant should always update his application to bring easy interface to customer
4. The customers should be well educated about the electronic payment system to avoid fraud
5. The applications merchant should create faith and trust in customer towards the online payment mode.



CONCLUSION

The digital evolution has triggered the way people are communicating, purchasing products, paying their utility bills online, exchange of information or performing business. The technology has altogether changed the consumer behaviour pattern towards purchasing and utilizing the products or services. They try to take advantage of the various digital platforms to expand their business and for sustainable development growth. The organisations through digital are able to share the experience by giving the consumers various options like variety, discounts, product/service comparison, payment preferences, etc. This has in fact exposed consumers towards the habitual use of browsing products, using different online payments that inturn develop trust and usually loyalty towards the products and/or payment platforms. At the same time companies get the necessary development in their businesses, as the advancement of technology has given them liberty for tracking the consumer's preferences, feedbacks, attitude towards the product, their search patterns, etc.

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