

Electronic payment: current scenario and scope for improvement

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Abstract: This paper investigates electronic payment: current scenario and scope for improvement. On this case, research has been mentioned electronic payment conditions. Therefore, research has got outcomes and shortcomings as the whole.

Keywords: electronic payment, improvement, payment conditions.

Introduction

In the modern society, no economic activity is possible without payments and settlements. In this sense, it could probably be said that payment systems are one of the most imperative and significant social infrastructures that we have. E payments are an increasingly important part of payment systems. They allow for quick international connectivity in the payments world, if not all-financial inclusivity for unbanked, fast across the world transactions, safety and security of payments and cost savings over traditional payment systems. Electronic payment is a crucial component of electronic commerce. Electronic payment can be termed as the backbone of electronic commerce. Electronic commerce can be described as any kind of commercial transaction that comprise of exchange of information on the internet. Organizations engaged in commerce exchange

information related to their business through different means of electronic mediums like internet, telephones and other information medium. Electronic payments thus can be seen as a part of electronic commerce that offers products and services like account information, payment options, transfer of funds and opening and closing of accounts and other banking transactions.

E-commerce provides the capability of buying and selling products, information and services on the internet. In an e-commerce environment, payments take the form of money exchange in an electronic form, and are therefore called Electronic Payment. E-Payment system is secure, there should be no threat to the user credit card number, smart card or other personal detail, payment can be carried out without involvement of third party, it make E payment at any time through the internet directly to the transfer settlement and form E-business environment. Business is more efficient and convenient to both the banking system and the customers. E payment is a subset of an e-commerce transaction to include electronic payment for buying and selling goods or services offered through the internet. Generally we think of electronic payment are referring to online transaction on the internet, there are actually many forms of electronic payments. As technology is developing, the range of device and processes to transact electronically continues to increase while the percentage of cash and cheques transactions continues to decrease. In other words an electronic payment system is needed for compensation for information of goods and services provided through the internet such as access to copyrighted materials, database searches or consumption of system resources-or as a convenient form of payment for external goods and services-such as merchandise and services provided outside the internet. It helps to automate sales activities, extends the potential number of customer and may reduce the amount of paperwork.

Future of electronic payment system

There are a wide variety of payment system available to a consumer today. Businesses are always innovating and looking for how the largest technology can increase sales, reduce cost and boost profits. However there arises a need to provide a single universal payment system that provides the advantages of all the existing payment system. In an effort towards this direction, an organization called joint electronic payment initiative has been formed. The objective of this group is to define a set of protocols and inter face that can support the use of a wide variety of payment methods for network commerce. Credit card payment have adopted SET as a standard for payment

transactions. However, no protocol is currently available for electronic check payment. Financial service technology consortium is working towards bringing in a standard for electronic checks. Electronic cash products like E-cash that do not make use of banking infrastructure are findings it difficult to push into the market.

Statement of the problem

Even though, E-Payment network offers cost free services, the 100% satisfaction of its customer is a doubtful one. Although the customers are availing E-Payment services, they spend some time for using the banking services. If E- Payments fails to give the full satisfaction to its customer, it is difficult to sustain its image in the systematic nation. Hence the study is undertaken for the purpose of analyzing the satisfaction level of the customer of E- Payment Services.

Objectives of the study

- To seek examine the challenges facing the implementation of electronic payment in the country
- To evaluate the impact of electronic payment on the operations of financial institutions in the country
- To study about current and future E- payment systems
- To study the modes of E payment system

Research methodology

A Research methodology is a specific technique that are adopted in research process to collect and assemble and evaluate data. It defines those tools that are used to gather relevant information in a specific research study. The research methodology is helps to identify the research activity in a true sense. It further specifies and defines the actual concepts. The research methodology offers a platform to demonstrate how we can communicate research activity in a true sense.

Sources of data

Secondary data : This type of data refers to the gathering information from the sources that have “readymade data” already in possession. Data used in this study collected basically from the secondary sources. Secondary data have been collected from various sources including websites, newspapers, various published and unpublished article about pre- primary education etc.

LIMITATIONS OF THE STUDY

- Certain limitations to do creep in a research study do to constraints of time, money, human efforts , the present study is also not free from certain limitations which unavoidable.
- Lack of availability of secondary data from published journals and reports sufficient data is not available
- A detailed study could not be made due to shortage of time practice
- Difficulties in collection of accurate data

SWOC ANALYSIS OF THE STUDY

STRENGTH OF THE STUDY

- Time saving: Transactions through Internet or e- payment systems are easy, very fast. It save time by reducing physical movement.
- No time constraints: The concept of 24X7 shows that online transaction can be used anywhere at any time as there is no time constraints.
- Cost effective: Elimination of long chain middleman, decreasing need of having brick infrastructure and out source logistics.
- Fast Exchanges of Information: “e” will always guarantee fast and accurate sharing of information among merchants and customers and enables prompt quick just in time reply.
- Reduced risk of money loss: Using electronic payment system would allow you to have your electronic wallet where all the expenses and transactions history is record on your account. So it is easy to control and manage your expenses with e payment system rather than paying cash while you have no control unless you keep a writing record of your daily expenses which is of course difficult.

WEAKNESS OF THE STUDY

- Complexity in online transactions: The people who are not tech cannot operate online transactions.
- Security: Security is a biggest challenge in to progress e payment. Customer always found themselves insecure especially about the integrity of the payments process.
- Fake websites: Many fake websites are available on net which promises better service and secure dealing.

- Fraud: Personal and financial details provided for transaction purpose are misused by hackers their personal undue interest.
- The necessity of internet connection: If internet connection fails, you cannot get your online account.

The lack of anonymity: The information about all the transactions, including the amount, time and receipt are stored in the database of your payment system. And it means the intelligence agency has an access to this information. You should decide whether it's good or bad.

OPPORTUNITIES OF THE STUDY

- Changing trends: E payment is fast and effective even financial transactions can be made from any part of the world. People of tomorrow will feel more comfortable to buy products through internet only.
- New technologies: Daily number of internet uses is increasing. People feel more comfortable to make transaction through online.
- Global expansion: E payment can be operated anywhere any time without any interruption.
- Availability: Along with each and every click of the mouse business is in operation. Wide
- Growth: E payment has wide scope and broader vision to grow. Cut down on local
- Competition: Online customer services is a competitive advantage for the company.

CHALLENGES OF THE STUDY

- Competitors: Competitors is increasing day by day big companies have already entered in this field. They are making people habitual at the cost of their companies.
- Online payments are not feasible in Rural Areas: The population of rural area is not very literate and they are also not able to operate computers. As they are unaware about highly expensive and time consuming: Electronic payment systems are highly expensive because it includes set up cost, machine cost, management cost etc. and this mode of payment will take more time than the physical mode of payment.
- Lack of awareness: Making online payment is not an easy task. Even educated people also face problems in making online payments. Therefore they always prefer traditional way of shopping instead of online shopping. Sometimes there is a technical problem in server customers tried to do online payments but they fails to do. As a result they avoid it.

- Issue with e-money: The primary issue of e-money that it isn't all around acknowledged in light of the fact that it is essential that the business foundation acknowledge it as installment technique. Another issue is that when we make installment by utilizing e- money the customer and the sales rep have accounts in a similar bank which issue e- money. The installment isn't legitimate in different banks.
- Absence of ease of use: Electronic payment requires huge measure of data from end clients or make exchanges progressively troublesome by utilizing complex expounded sites interfaces.

OUTCOME OF THE STUDY

- ✚ The electronic payment has increased a great deal of interest among brokers and increasingly more of them in India have begun to actualize the equivalent in their everyday working
- ✚ The E-payment is increasingly productive and advantageous to both the financial framework and clients
- ✚ The bank has created e payment framework is improved the Bank-client relationship
- ✚ The developing of electronic payment innovation marked Electronic Fund Transfer (EFT)
- ✚ The methods of E-Payment incorporates, Credit card, Debit card, Smart cards, Digital wallet, Electronic check, Electronic money and so forth.
- ✚ India has a few payment frame works, extending from paper- based frame works to the electronic store move frameworks that offer constant settlement. These payment are overseen by various substances and are managed by the Reserve Bank of India
- ✚ Payment frame work are the foundation of the budgetary framework of the country and upgrade globalization.
- ✚ The requirements to make e payment framework that are productive solid and reasonable
- ✚ Electronic payment frameworks are multiplying in banking, retail, social insurance, online markets and e government indeed, anyplace cash needs to change hands
- ✚ Generally most of electronic payment method don't participate with one another.
- ✚ Every payment framework has its points of confinement in regards to the most extreme sum in the record, the quantity of exchanges every day and the

measure of yield

- ✚ In the event that you pay for network access supplier or portable record recharging through the UPT (Unattended Payment terminal), you will experience high expenses. Concerning the electronic payment method: a charge of this sort of activities comprises of 1% of the aggregate sum and this is an impressive bit of leeway of electronic payment
- ✚ Every one of the exchanges can be performed at whenever, anyplace. It's sufficient to have an entrance to the web.

EXPERIENCE :

- ✚ Most of the people are unsuccessful to use Net banking and email account because either they are ignorant or even don't remember their login ID and password.
- ✚ Concerns about the security of transactions and identity theft still prevent thousands from moving over to the digital payment platforms. Security concerns remain their biggest problem. A cultural and mindset of the people has to change and make them feel comfortable with digital payments
- ✚ Electronic payments are suitable instant transaction because of transaction limit per day, No additional cost per transactions
- ✚ Users are finding it easy to pay for small-ticket items using e-wallets. The e-payment platforms are being adopted by the mainstream users for day to day transactions.
- ✚ Merchants are not completely aware of the policies to accepting digital payments. This confusion exists among end users as well, who have to contend with different experiences.
- ✚ As number of digital transactions increasing it is yet unregulated proper fraud prevention, including device fingerprinting and consumer protection, needs to be put in place. There is a definite need to improve the quality.
- ✚ Users must be cautious when it comes to allowing access to information demanded by these apps. Be wary of using apps asking for access to information that's not a must for the app to function.

- ✦ Most of the people are switching electronic payments for their convince, discount or cash back, easy tracking on transactions.
- ✦ For high value of transactions Consumers seems prefer electronic payments.
- ✦ Customers do not have whole information about operating an ecommerce site for e-buying procedure
- ✦ Consumers are forced to adopt cashless modes due to the ongoing cash crunch. Even those who initially opposed now they have started moving towards digital payments.
- ✦ The government is going to encourage the adoption of digital payment platforms. It initially waived off the service tax on card transactions up to Rs 2,000 and announced discounts on purchase of petrol, diesel and railway tickets, among others, if paid for digitally. It is also planned for a sharp cut in the transaction charges, levied by banks on merchants, on debt and credit payments.
- ✦ Along with the traditional methods of communications like letters, telephones, Fax, internet negotiations with the target customers or the potential customer are to be incorporated in the business as a means of communication. This is the fastest method of communication requiring an all together different skill of tele convenience.
- ✦ E-banking with the advancement in the technology, the new banking facilities such as EFT and Internet Banking have proved to be a major breakthrough in banking technology. It has become more sophisticated with enormous opportunity of vertical and horizontal developments. This is all together different from the traditional banking at the same time it is risky. Growth of e-banking is slow in urban area and it is totally absent in the rural area. But it has become indispensable for big industrial concerns and the multinationals
- ✦ Product developments and introduction of modified product up to a great extent depend upon the complaints and suggestions of the consumers. This type of information should be carefully processed as it is a "Feedback " used in the design of a new product. In the traditional business, market research is conducted for this purpose. In E-commerce this information can be had from the consumer at the time of dialogue with him.

LEARNING

- ✚ Don't let your customer have to guess what to do next. If you don't have any suggestions, you make the suggestion for them to leave out
- ✚ The Smartphone will increasingly become the hub for making payments, but we need to take necessary precautions do not download suspicious files from the Internet. Most of us today use antivirus software on their desktop computer or laptop, but ignore the Smartphone. It is critical that the Smartphone is also secured properly.
- ✚ Provide a flexible payment option. An give give security assurance signals on payments
- ✚ Online purchasers must take a serious attitude to compromise to keep their information safe from hackers, especially financial data and Bank account
- ✚ Issues with network availability and Internet connectivity have led to some delays in transactions going through and reflecting in the users wallet balance
- ✚ Digital payments are completely traceable and can be restored. Our money is safe and not going anywhere-wallet platforms are perpetually upgrading their systems to deal with the increased traffic
- ✚ Avoiding the restrictions and limits regarding the maximum amount in the account, the number of transactions per day and the amount of output.

Conclusion

Today E- payments are growing at a highest rate. Having card has been become the need of every person. Nowadays everybody wants to use these services. Technology has arguably made our lives easier. One of the technological innovations in banking, finance and commerce is the electronic payments. Electronic payments reference to the technological breakthrough that enables us to perform financial transactions electronically. Thus avoiding long lines and other hassles. Electronic payments provides greater freedom to individuals in paying their taxes, licenses, fees, fines and purchases conventional location sandat which ever time of the day, 365 day of the year. After analysis and comparison of various modes of electronic payment systems, it is revealed and quite difficult, if not possible, to suggest that which payment system is best. Thus there are number of factors which affects the usage of e commerce payment systems. The success of e payment

system also depends on consumer preferences, is of use, cost, industry agreement, authorisation, security, authentication, non- refutability, accessibility, and reliability and anonymity and public policy. The reliable and cashless payment system offers immunity against theft of pepper and e money, and adopt e payment solutions or systems for different reasons. In addition to cost reduction, references was made to a number of other benefit, including improved customer service, improved working capital, increase do perational efficiencies and cycle times, processing efficiencies and enhanced complaints to organizational policies and procedures. This opportunities e payment operation increases different levels of risk flow market. More than10 year of internet marketing research have yielded a set of important findings. Based on our review of these findings, it is clear that an internet is play a more and more important role in the field of e payment. People are become aware of the need to measure the collaborative effects of e payment. This study reveals that the peoples were not aware and educated. They have not any knowledge of e payment. The study is based on survey. The respondent have to answer the questions on their own. Some people satisfied with our views. But some Peoples are not satisfied with us.

This study state that online e payment provides greater research to customers. The feedback can be optioned easily as internet is virtual in nature. Customer loyalty can be gain. Personal attention can be given by bank to customers also quality service can be served. We came to know various strength of e payment system such as quality customer service, greater reach, time saving customer loyalty and easy access to information, 24 hours access, reduce pepper work, no need to pay the cash easy online application etc.

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