

Digital Payment and Security in E-Commerce Transaction

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Abstract: *Digital payment is also called as electronic payment. Driven by contemporary legislative measures and technology advancements, India's digital payment system holds great potential for future success. The use of digital payments has increased significantly throughout the nation during the past few decades. An electronic payment, sometimes referred to as a digital payment, is the value transfer between payment accounts via digital devices including computers, POS systems, and mobile phones as well as digital communication channels like SWIFT or mobile wireless data. Bank transfers, mobile money, and payment cards—credit, debit, and prepaid cards—are the three most popular digital payment methods utilised by the nation's residents.*

Keywords: Digital Payments, Digital transactions security, E-commerce, cashless transaction

I. INTRODUCTION

What is digital payment?

Digital payment is the transfer of money through the electronic mode or device. One can do any transactions using Debit cards, Credit cards, Net Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS). A digital payment is the method of making a payment electronically where the payer pays the money and payee receives the money. Both the payer and the payee does the transaction through online mode.

Digital India movement is to prepare the country for digital transformation i.e. empower society and economy with advantages of digitalization. In this program central and state both government has well defend roles. It is also expected that government services will be available to all citizens electronically. Digital Indian campaign has the vision of infrastructure as a utility to every citizen, Governance services on Demand and Digital empowerment of citizens. To give boost and better settlement of digital payment system government initiated number of new modes of digital payment under National Payments Corporation of India (NPCI). It is an umbrella organisation for all retail payments system in India.

The traditional system is replacing by the digital system. The traditional payment systems are Cheques, withdrawals, drafts, money orders, letters of credits, travel cheques etc.

Why Payments system also turning into electronic payment system ?

There are several reasons but the most common reason is that the traditional systems has some leakages and efficiency and that's overcome by the digital system. But in India digital system is in emerging trend and not so popular and generalised. Today India is using most common electronic payment systems include Debit cards, Credit cards, but the use of electronic fund transfer, Internet banking are more popular in use. Therefore it is important to know the problems of digital payment system and its progress in India.

As a part of digital payment movement, government of India also emphasised on digital payment system.

II. REVIEW OF LITERATURE

(Sharma & Kansal, 2012): Research paper titled "Mobile banking as Technology Adoption and Challenges, A Case of M Banking in India", Published in International Journal of Scientific & Research Publication, Page No. 1-5, They examines the consumer adoption of new electronic payment service such as Mobile Banking and also Factor affecting adoption of Mobile Banking. From traditional banking to modern banking which use digital payment are undergone in

the whole change, customers are freely paying bills from anywhere so that more personal attention can be provided. Mobile Banking have greatest potential of conducting financial transaction therefore the all stakeholders like regulators, government, mobile manufacturer and telecom authorities need to make efforts to inclusion of rural people also (Deshmukh & Naware, 2014): Research paper titled “Mobile Money: M- Payment System for India”, Published in International Journal of Computer Science and Information Technologies Page No. 2672-2675, they conclude about the system “Mobile Money: M- Payment System for India “proposes a new mobile payment system in which sender sends money to receiver using his mobile phone. M-commerce is evolved from E-commerce which includes all E-commerce transactions, carried out using a mobile (hand held) device. This paper discussed transformation of E-commerce into M-commerce, benefits and challenges of E-commerce and M-commerce. There is a need to secure the M-Payment systems as the system can be attacked to steal the information. The security to the username, password and mPIN should be given so that it cannot be beaked. Security to the information should be given when it is transferred from end to end in the system. Due to rapid growth of number of mobile phone subscribers in India, mobile phones are proved to be an alternative channel of delivery of banking services. The M-Payment systems should be developed compatible for not only high configurations mobile phones but also for low configuration mobile phones such that poor population can also use the M-Payment applications on their low configuration mobile phones. In India people have different mother tongue language. Thousands of people do know only their mother tongue language. So there should be an option to select language for transactions in M-Payment systems in India. Awareness programs for M-Payment systems should be conducted by bank servers.

(Pande, Deshmukh, & Tambakhe, 2014): Research paper titled “E-payment Gateway Model”, Published in International Journal of Computer Science and Information Technologies, Page No. 2569-2573, They studied proposed model for electronic payment gateway, On the basis of requirement of electronic payment gateway. E-payment is now one of most central research areas in E-commerce. E-payment system is the automated process of exchanging monetary values among parties in business transactions. These new methods attain high level of security, speed, privacy, decentralization & internationalization. People need such a gateway that fulfill their all requirements and provide security, privacy etc. This addresses the requirements for an electronic payment gateway from both the customers and the merchants' point of view. The existing payment architecture was also lacking the security factor. Most people don't trust on onlineshopping or online transaction because of security. Security is the main issues behind designing of Gateway. That's why the proposed architecture is made secure by the implementation of secure electronic transaction methods. The architecture is made secure by the implementation of secure electronic transaction methods. Thus, at first, it's checked if the customer is authorized one or not then the whole transaction takes place.

III. OBJECTIVE

- To investigate how respondents' ages affect digital payments.
- To examine how consumer education affects the use of digital payment
- To examine how a customer's income status affects their use of digital payments\
- To examine that is digital transaction secure
- To understand the digital transaction causes negative or positive impact on the people

IV. RESEARCH METHODOLOGY

This study has used descriptive method. Data collected was from secondary sources through Articles, Journals, Books, websites, survey reports, committee reports and government published data. Research methodology used was descriptive one. Data was analyzed by using percentages, CAGR and depicted through tables and bar chart.

V. CONCLUSION

The author concluded that the previous studies focused on the adoption of digital payment systems; some have studied factors affecting usage of digital payment systems. Similarly, earlier studies focused on dimensions of security, past researchers focused on measuring the impact of digital payment systems on customer satisfaction. Thus, most of the studies were limited to either one or two aspects of digital payment systems. On scrutinizing various published national and international literatures, research articles and studies, the researcher found that numerous researches were carried

out predominantly on the topics pertaining to internet banking, mobile banking, mobile wallets, card payments, electronic and mobilepayment systems, etc., Most of these studies conducted earlier have taken the factors available in the Technology Acceptance Model (TAM) model and Unified Theory of Technology Acceptance and Usage Theory (UTAUT) model and tested them accordingly with their sample of respondents. Overall remarkable growth in digital payment system in terms of value and volume are seen.

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