

The role of e-payments in today's society

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Abstract: *Electronic payment system is significantly becoming a sensible mean of payments in business of today. This is because of its efficiency and convenience. It is an e-payment system which is repeatedly being accepted and adapted in the financial system in developed as well as in developing countries with a view to simplify and ease payments in business transactions. Nevertheless, as a result of some barriers not all countries are perfectly adopted to e-payment system. It is rest on this article will be analyzed e-payment assumption by collecting primary data. The article will analyze the data which will be collected by using qualitative and quantitative data that will base on survey and interview studies with the purpose of discovering and evaluating critical factors which effect on the adoption of e-payment by consumers in Uzbekistan.*

Key Words: *E-payment, credit card, transfers, mobile banking, transaction, financial institution, clients, online commerce, internet.*

1. INTRODUCTION:

The growth of the internet challenged plenty of organizations switch to an electronic payment system (e-payment), which is used to pay for products and services bought online through the Internet. Furthermore, e-payment system can cause to several electronic modes of payments to be in use. Moreover, it gives opportunities for financial institutions to make an offer of different e-payment services to their clients such as the credit cards, online banking and mobile banking and debit cards (Premchand & Choundhry, 2015).

However, there are some factors that people face in adopting e-payment. Thus, by conducting the research we are going to find out and clarify some questions such as: What are the main factors that consumers face in adopting e-payment? Will elements such as security, privacy and level of education impact on adoption of e-payments by people.

The purpose of the article is studying and examining the problems that people face in using e-payment and how it effects on development of this system in Uzbekistan. Additionally, relying on this survey, some suggestions to be developed.

2. LITERATURE REVIEWS:

According to Dennis (2004), e-payment system is a form of financial liability that involves the purchaser and the seller facilitated via the use of electronic communications. Similarly, e-payment is determined as payment, in which the procedure of initiation, processing and receiving are involved, that support e-commerce transactions such as business to consumer (B2C) and electronic payments between customers, person-to-person (P2P) (Humphrey, Pulley, and Vesala, 1996). Moreover, as e-payment monitored via the Internet, processed through a unique token, verified and shows money from the customer (payer) to the merchant (payee). So, once depositing a sum of money or credit card made by consumers, then bank will provide tokens (encrypted digit being unique), that can be used for shopping at consumer's site and merchant can exchange the token back to get the cash actualized (Laudon, 2011).

Actually, credit card industry can be drawn back to 1914 when emporiums, oil organizations, hotels commence issuing cards to their clients to make them able to pay for products and services. After about 40 years, the users of credit cards increased and became more acceptable by people as a medium of reimbursement, especially in transportation. Even if credit cards were paper-based initially, until in the 1990th they were converted to electronic entirely. Consequently, this caused the introduction of a debit card as well. Nowadays, transaction payments for all types of purchases and services made via credit and debit cards all over the world. (Mohamad, Haroon, & Najiran, 2009).

Furthermore, there are several types of e-payment services developed in the world, including electronic

cheques, e-cash, electronic fund transfers and credit cards (Ken & Will, 2002). Hsiao-Cheng and Pei-Jen (2002) categorized electronic payments as online credit card payment, small payments, electronic cheques and electronic cash. According to Mukherjee & Roy (2017) types of electronic payments are:

- Credit Card;
- Debit/ATM card;
- Smart Card;
- Net Banking;
- Paypal;
- Mobile Wallet or e-Wallet;
- Electronic Checks;
- Payment Wall Method;
- Google Wallet.

Despite of these there are some determinants of adopting e-payment by consumers over the world, they are: deliberate risk, security, trust and privacy

The connection of these items causes the fear of people in using e-payment system, as customers are harassed with security and privacy of the system. It is mentioned that even if consumers' confidence in their bank(s) was undoubtful, yet their confidence in terms of technology was not strong enough (Roy, Sinha, 2014)

Moreover, the lack of authentications is also known by majority. So, there are no tackles to verify who is entering the data into the e-payment systems (Swick, 2010), that are not a criminal (Rahman, 2014).

Existing some factors influence things such as awareness of computer, access to the internet and use of the Internet, cell phones, country of residence and travel habits (Keramati, 2012). According to Keramati (2012), the level of knowledge and use of the Internet have an impact on the adoption of e-payments.

Rahman (2014) says that a service fee is required by some vendors (such as Visa, Paypal, Master and so on). Additionally, repudiation of charges is another side of e-payment, because there is no transaction information, customers may dispute on the cost (Swick, 2010). Awareness of how to protect in place concerning fees applied to the wrong processing of e-payment system can help consumers.

3. CONCLUSION:

Relaying on the review of the literature I state hypothesis:

H1 How the security, and trust influence on people's usage on e-payment system;

H2 How the people's level of knowledge influences one-payment system;

H3 Why fee payment is considered an effective tool to consumers' choice to use e-payment.

According to quantitative analyses, we set a goal to conduct inquiry among customers and take important data to respond how comfortable they adopt e-payment systems in the Uzbekistan banking industry. Questionnaire will be evaluated with the measurement based on how best people use e-payment system. Let's say from 1 to 7 they can choose the number to show their evaluation, as a result we will be able to know their adoption to electronic payment. Marshall (1989) and Merriam (1998) argue that data collection and analyses must be simultaneous process in qualitative research. They claim that qualitative analyses include people, events and the properties that classify them. We plan to involve approximately 40-50 clients; with the help of the questionnaire after obtaining responses we will collect their evaluation. This process is going to be lasted for one week. Moreover, qualitative analyses are also planned to conduct after reviewing the completed questionnaire which means a follow-up interview will be implemented to discuss and ask the customers to explain their adoption in more detail. Interview is planned to focusing on the security of e-payment system and how well clients trust to this system. We intend to find from available sources the specialists who works in banking industry for a long time and who has insight information in banking. The methods sections have two portions; the first one is the justification for the basic approach to the survey. A justification for why, what factors impact the use of electronic payment system by customers? The central part of a methods section is a detailed discussion of the specific that will be used for data collection. It is clear that, more educated people have more chance to use and evaluate well e-payment system. Therefore, we plan to do survey basically among educated people to compare with the ordinary citizens' evaluation. In addition, more directive style of inquiring are also going to be made as needed as possible when we require clarification of obtained data that

the customers will be provided. We will record their answers from the Interview by making hand-writing notes. Supplementary question will also be used as we need.

Collected data will be analyzed by using Gretel software with the aim to conduct the regression models.

This software is very user-friendly design and free distribution, that's why we will use this software. Approximately, from 5-10 models will be run, through this software to check contributory factors that influence on customers' usage on e-payment system.

It is an important factor to complete research with relevant data which is collecting by interacting people who uses the e-payment system in Uzbekistan. However, maintaining the privacy of interviewing people and asking relevant questions is crucial during the research process. This research will contain primarily data. While collecting primary data for all interviewed people should be given enough time to think and give a true review by providing information about researcher's goals. Also using their data with ensuring the privacy of their information and informing interviewed people how their data will be presenting. Moreover, due to the mentioned factor of privacy, the identity of interviewed people will not be strict with the referencing sources of information.

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