

E-commerce payment

[Business](#), [E-Commerce](#)



The implementation of B2B e-commerce is expected to Result in a reduction of the transaction costs that are incurred by firms, thereby lowering barriers to their participation in international trade. It also is expected to provide opportunities for producer firms in developing countries to enhance their international profile and to develop direct one-to-one trading relationships with international buyers and sellers

the public Internet is a relatively inexpensive communication tool as compared to other communication services. When an affordable telecommunication infrastructure is in place, its use can enable buyers in industrialised countries to have easier access to information about developing country producers. It also can expedite the ability of developing country suppliers to obtain information about buyer requirements in industrialised countries. For developing country firms, there is a substantial gap in the evidence base concerning the extent of B2B e-commerce implementation and the way various.

So far as the fast emerging technologies and standards for the Internet and E-Commerce are concerned, however, developing countries have no say whatsoever today. All of the developments are taking place primarily in the private sector laboratories of the North. Even the ITU (International Telecommunications Union) plays only a marginal role. E-commerce Payment Goods and services ordered online can be paid for using traditional credit cards, electronic payments or e-cash.

In most developing countries, the payment schemes available for online transactions are the following: A. Traditional Payment Methods Cash-on-

delivery, many online transactions only involve submitting purchase orders online. Payment is by cash upon the delivery of the physical goods. Bank payments, after ordering goods online, payment is made by depositing cash into the bank account of the company from which the goods were ordered. Delivery is likewise done the conventional way.

Electronic Payment Methods Innovations affecting consumers include credit and debit cards, automated teller machines (ATMs), stored value cards, and E-banking. Innovations enabling online commerce are e-cash, e-checks, smart cards, and encrypted credit cards. These payment methods are not too popular in developing countries. They are employed by a few large companies in specific secured channels on a transaction basis. Innovations affecting companies pertain to payment mechanisms that banks provide their clients, including inter-bank transfers through automated clearing houses allowing payment by direct deposit.

Mobile communications has exploded in many developing nations. Mobile has often been the first competitor to sluggish government-owned fixed line telephone systems. Instead of waiting for a long time for a fixed line, and sometimes paying high line installation fees, citizens in many developing countries can now get a mobile connection on demand and need only to pay for the card that activates their handset. Furthermore, because wires do not need to be laid, mobile networks can be installed relatively quickly

Another big driver of mobile in developing countries has been the pre-paid card, which turns the mobile handset into a portable, personal pay phone. Pre-paid service has allowed millions of users who would not normally

financially qualify for subscription-based service to become mobile users. One of the reasons that wireless Internet seems logical for developing countries is that mobile phones outnumber PCs. In addition, mobile phones are beginning to exceed fixed lines in a growing number of developing countries.

There are a number of things that need to happen if mobile Internet is to be viable in developing countries. One is awareness among policy-makers about the potential of 3G. Few developing countries have yet to outline their policy for the introduction of 3G networks. They are missing out on the opportunity to leap-frog. A key issue is how to award licenses. Developing nations may want to minimize investment costs by avoiding auctions and high licensing fees.

This would reduce the cost of service and attract more interest from potential investors. Another consideration is the structure of the mobile market. In many developing countries, investment capital is scarce. They may want to opt for one infrastructure provider who in turn provides wholesale capacity to numerous service resellers. This would reduce network duplication and minimize under utilization.

Another factor for success will be the development of locally relevant content adapted to small screen sizes. While the latest stock-market information or ability to purchase cinema tickets from a mobile phone may be attractive to the well-off, applications such as commodity prices and transportation schedules may be more suitable for the majority. The development of voice recognition applications would also be useful in

countries with high levels of illiteracy. Mobile solutions also provide a better opportunity for "contextual" shopping. Once the customer has purchased one thing, related types of commerce offer can be sent to the customer. Whilst e-Commerce solutions can exploit this CRM capability to a limited degree, they are not designed with the timeliness and delivery capability of mobile solutions.

There are a number of applications that are not relevant in the e-Commerce environment, and will only work in the m-Commerce environment. Wireless-enabled vending machines provide an ideal solution for both customers and suppliers. Customers can simply dial a IVR number, or send an SMS message, and have the cost of the vend charged to their mobile account. A solution such as this can be quicker and more convenient for a customer than trying to find the right change for the machine. Much of relationship between retailers and consumers in the future may be conducted via handheld mobile devices. These devices will be a combination of a palm computer and cellular phone. Special promotions will grab people's attention when they travel within a certain radius from the store. (Foundation of e-commerce p 293)

Conclusion

E-commerce is mostly about buying and selling, while m-commerce was expected to be largely data-driven. The true middle ground of the converged mobile future is likely to include aspects of each business model, although the only thing we can be sure of as it evolves in the near future, converged with handheld computers and developed in concert with networking and

database intelligence, is that it will probably bring us as yet unanticipated capabilities. This situation has generally been the case historically with most evolving IT applications.

Overall, mobile commerce is very different from e-Commerce. Successful e-Commerce products and solutions do not simply translate into successful mobile solutions by adding a mobile interface. Those m-Commerce applications that generate significant revenue will be those specifically developed around the mobile experience; those that understand how a customer interacts with their device, the type of things the customer wants to buy, and when they want to buy them

E-commerce gives small and medium companies the ability to access international markets that used to be difficult to enter due to high transaction costs, therefore in developing countries it is still along way to catch up the increase of e-commerce every day. And In most developing countries, the payment schemes available for online transactions is a traditional Payment methods which are Cash-on-delivery and Bank payment.

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