EXPANSION OF E-PAYMENT

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Abstract: *As a result of the difficulties caused by Covid-19 all over the world, there is an expansion of contactless and online payment. People are turning more and more toward E-commerce, and if this is not possible, they tend to choose contactless payment, in order to comply with all the current health and safety regulations. This paper is about the current variety of offers for contactless payment in Serbia, which is expanding daily. Cash is used less and less in Serbia, this being the consequence of mass usage of internet cards offered by the banks operating in our country, as well as Apple pay, one of the most advanced and secure ways of payment in the world.*

Keywords: *Internet, Card, Bank, Apple.*

INTRODUCTION

How well a business company will do depends on its ability to find its appropriate place in the worldwide business distribution and to become a part of the global processes, which in turn demands working in an information oriented business environment.[4] Banks had at first been reluctant to all those innovations, but in the end, they accepted all the practices that the new era of the internet brought about. The internet opened a new chapter regarding money and systems of payment. All the established practices and business rules were replaced by a new system that had no model in the previous techniques and technologies and had to be invented from the beginning. Digital payment systems were developed under the pressure of the internet speedy expansion. The latest research results point out the fact that, of all the internet activities under research since 2000, online banking was the one with the fastest and most significant growth.[5] The development of modern banking itself is largely connected to the development and growth of information technologies. The growing number of new banking products causes an increase in the number of transactions because the absence of time and space limitations is used to the maximum.

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[4] R. Stankić, Elektronsko poslovanje, Ekonomski fakultet, Beograd, 2007. str 13

[5] V. Vasković, Sistemi plaćanja u elektronskom poslovanju, Fakultet organizacionih nauka, Beograd, 2007. str 128

CLASSIFICATION OF INTERNET CARDS

There are several models of internet card classifications, but we have selected to discuss the following classification. Prepaid cards are based on the same system as the prepaid cards issued by mobile operators. Their main characteristic is that we can use only the money we already have on our accounts, similar to mobile phone cards. They are therefore the safest to use on the internet since if they are possibly abused, we lose only the money already on the account, which we put there before some internet transaction. As opposed to that, there are cards connected to our current accounts, which enable us to use the money from the account, as well as from the overdraft. Those are the debit cards. The third type in this classification is the internet card which uses money from our credit cards. In this case, there is a possibility of using as much money as our credit card allows and even paying for the goods in installments, as specified in the contract we made with the bank when receiving the card.

INTERNET PAYMENT IN SERBIA

This is the right moment for the promotion of massive use of internet cards in Serbia, as well as worldwide, having in mind the Coronavirus situation, limited contacts, as well as many other limitations imposed on our normal functioning. Whether we like it or not, we are stuck with shopping on the internet. Ordering necessities, paying the bills, fulfilling our monetary obligations online – it is all meant to make our lives easier in these times, but also in the times to come. The benefits of using the internet in everyday life today are immeasurable, with a tendency to become even more so in the future. At the moment, there is a boom in applications which use internet cards in our country. The example set by some companies is the way everyone should follow. Drive.Go.[6] is the application that was created to help people pay for gas at the gas stations without physical contact or having to enter the premises. Wolt[7] enables a contactless food delivery from the location of your choice to your location. Enpay[8] enables electronic payment of highway tolls in Serbia. Besides applications, there is an increasing number of foreign and domestic sites which offer the possibility of online ordering and payment, all for the purpose of easier functioning in these conditions. The habits created with people in these times are bound to leave a deep trail in the practice of internet transactions. This is a turning point for them, and they are bound to grow, regardless of the virus situation.

KOMERCIJALNA BANKA

KOM4PAY is the new way of payment via the internet. It enables you to make a payment via the internet without using the card, entering the account number, PIN or other confidential data. All you need to enter the application is a user name and a password. Each payment is further authorized by the client using a single-use security code (SMS or Token)[9].

BANCA INTESA

Visa Internet card is created exclusively for the payment of goods and services on the internet, thus it is not possible to use it on the POS terminals and ATMs, and it is issued without a PIN code. When shopping on sites that bear the „Verified by Visa" mark, the payment is verified

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6   www.nis.eu, access 13.04.2020.
7   www.wolt.com, access13.04.2020.
8   www.enpay.rs, access 14.04.2020.
9   https://www.kombank.com/sr/e-servisi/stanovnistvo-e-servisi/kom4pay-novi-nacin-placanja-preko-interneta, access 20.04.2020.

by a single-use password issued for every transaction and sent by SMS to a verified phone number. The expenditure limit is defined by the amount available on the client's foreign currency account.[10] The way the bank protects its clients against the abuse of internet payments by issuing a special-purpose card mentioned above is good from the security point of view, but is it really necessary that each card has its exclusive use and that we have one for each of them?

Secure link
A secure link is one of the solutions for internet shopping. Pay by link or payment via link functions in the following way: a company creates a link that directs a customer to a page where he/she can be informed about all the relevant payment details and securely use his/her card.[11]

3D secure
3D secure (also often appears as Verified by Visa, MasterCard SecureCode or American Express SafeKey) is a card authentication service that allows its owner to use it exclusively.[12] If during the payment process a window appears with a request to enter a single-use security code, it means that the card is already registered. The code will be sent to the phone number given to the bank. There is also verification through a PIN code obtained in the bank when receiving the card. Only during the first usage of this system, it is necessary to follow the card registration instructions.

Paywave – paypass
Visa or Mastercard, i.e., Paywave or Paypass - contactless payments are carried out by simply tapping your card near the terminal. It is not necessary to hand the card to the shop assistant or to perform any other actions. It is therefore ideal for use during the pandemic. The very idea of having a payment card was originally inspired by the need to prevent the bacterial infections caused by handling money notes. The mission was therefore completed successfully - this system is extremely convenient in the time of Coronavirus.

QR CODE

IPS or instant payment is the way of payment available with Banca Intesa. A client chooses IPS Show or IPS Scan option on the homepage of the mobile application, within the Payment option. He/She then must show the QR code to the shop assistant, who scans it and completes the payment process.[13] A client can also scan the QR code on the bill and complete the payment.

APPLE PAY IN SERBIA

Apart from internet payments, the company Apple has provided the clients in Serbia with its payment service. ApplePay is finally available in Serbia, at the moment only in selected banks, but it is good to see that the most contemporary payment services function in our country too. Raiffeisen, Procredit and OTP are among the first banks to provide this service in Serbia. By several simple adjustments, you are provided with a virtual wallet on your smartphone or

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[10]   https://www.bancaintesa.rs/stanovnistvo/platne-kartice/debitne-kartice/visa-internet-kartica.1679.html, access 02.05.2020.
[11]   https://www.allsecure.rs/sr/securelink-pojednostavnite-naplatu-putem-linka-za-placanje/,access 02.05.2020.
[12]   https://www.allsecure.rs/sr/securelink-pojednostavnite-naplatu-putem-linka-za-placanje/,access 02.05.2020.
[13]   www.bancaintesa.rs, access 03.11.2020.

smartwatch. All you need is to have an account in one of the previously mentioned banks and to apply for this service – and you will be able to forget about cash or payment cards. You will just need your mobile phone with the IOS operative system or an Apple watch in order to use this service. ApplePay is used for safer and easier payments in shops that support contactless payment, online payment services and applications that support ApplePay. If you are using Touch ID, i.e. fingerprint payment confirmation, you just need to press your Iphone to the contactless POS terminal simultaneously holding your finger on the fingerprint reader on your Iphone. To confirm the payment with Face ID, i.e. face scan, press twice the button on the right side of your phone facing the screen, and then press your Iphone to the contactless POS terminal.[14]

These advanced options offered by Apple are among the most contemporary payment services in the world and are designed in order to make the lives of their users easier. One of their services, Apple Pay cash, is still not available in our country. It is used for direct payments between the users transferring the money via iMessage.

CONCLUSION

The current state of the epidemic in Serbia, imposed upon all of us, directs us towards using electronic payment. There are more payment services besides those listed above, but we have chosen to present the most commonly used services.

During the past year, more than 1 820 000 people have ordered and purchased goods or services via the internet. [15]We have no data as to how many people had used those services before, but we have the information that almost 20 000 more people were using those services than the year before. When we consider the fact that during 2019 over 93.7% of the population of Serbia used mobile phones, i.e. over 4 950 000, and that over 3 810 000 used the internet every day, we can come to the conclusion that electronic payment services are gradually taking the lead compared to the traditional types of payment. This sudden increase in the number of people shopping online, using mobile phones and the internet, using numerous mobile applications, among which there are many electronic payment services, initially spurred by the Covid virus pandemic, progressed further during 2020, and this will undoubtedly be proven in subsequent research.

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