

Benefits of Using a Payment Gateway

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Abstract: This research aims to obtain concepts and information about the benefits of using a payment gateway. The research data sources are online news, YouTube, social media, and research articles for 3 years, namely 2021 to 2023. Data sources are selected based on credibility and suitability of the data to the problem being studied. Data processing uses NVivo 12 Plus software. There are four stages of data processing, namely the data input process, coding process, visualization process, and conclusion determination process. Coding validity was evaluated using a triangulation approach. The research results obtained seven points of benefits needed by payment gateway.

1 INTRODUCTION

The value of the global e-commerce sales market is expected to grow to \$6.35 trillion by 2027. As customers increasingly prefer digital transactions, businesses that fail to adapt risk being left behind, losing potential customers and revenue to competitors. The online payment experience can influence how many transactions a customer successfully completes. In a survey of online shoppers, 18% of cart abandonments were due to inefficient or complicated checkout processes. And as e-commerce grows, cybercrime related to online payments is also on the rise. Businesses need to address both issues by creating an online payment experience that is simple and efficient for customers, while also being highly secure and ready to combat the ever-growing number of fraud attempts. Payment gateways play a key role in achieving this complex and important goal. Below, we discuss what businesses need to know about payment gateways are, how they work, their important role in e-commerce, and how they operate within the broader payment processing system.

In recent years, Indonesia's digital economy has developed rapidly. Payment gateways play a vital role in accelerating the growth of this industry. It can be seen how big the contribution of payment gateways is in driving Indonesia's digital economy, the total online payment transactions carried out via payment gateways in 2022 will reach approximately IDR 2,000 trillion, an increase of 35% compared to the

previous year. Data shows that the widespread adoption of digital payments in various business sectors such as e-commerce, travel and other online services is in turn driving the growth of the digital economy. Payment gateways also play an important role in supporting the development of the digital economy. Growth of Micro, Small and Medium Enterprises (MSMEs) in Indonesia. Data shows that around 80% of the total online payment transactions carried out through payment gateways come from small, medium, and micro businesses. This shows that MSMEs are increasingly adopting online business models to expand market reach and increase income. With an easily accessible and affordable payment gateway, MSMEs can optimize the use of technology while developing their business so that it has a positive impact on MSME growth. The digital economy.

2 LITERATURE REVIEW

A payment gateway is a transaction medium provided by e-commerce application services. Can authorize credit card processing or make direct payments to customers in online business activities. This Indonesian payment gateway can make transactions easier for businesspeople and customers. Payment gateway is the most appropriate solution to make the payment process easier and more accurate. This is the main thing that online businesspeople must pay attention to. This is a service that facilitates the

transaction process between buyers and sellers. This way the online shop can ensure that the payment method is working properly. Commonly used payment methods are bank transfer, using a credit card, virtual account, via digital wallet or small market outlets. Here are the benefits, how it works, and tips you can apply to your online business (Hubster, 2023).

3 METHODS

This research uses qualitative research methods using a systematic literature review approach. The literature studied does not only come from research articles, but also from several sources obtained online. Sources of processed data come from YouTube, online news, research articles and other social media. The data source must come from a credible source, whether YouTube channels, online news, and other sources. Data is searched using keywords that match the research question. The consideration for using this data is due to the availability of adequate data on the internet and it can be accessed easily (Hafidhah & Yandari, 2021). The selected data sample is data published during the last three years, namely 2021 to 2023. The data processing uses NVivo 12 Plus software. This software was chosen because it can produce coding visualization images and the way to use the software is very user friendly (Tambun & Sitorus, 2023).

There are four stages carried out in the data processing process with NVivo, namely the data input stage, coding stage, visualization stage and conclusion stage (Sitorus & Tambun, 2023). The first stage, data input uses two methods, namely internal data input and external data. Internal data is data input to NVivo without using an internet connection. This data is usually data that is already available on the laptop, such as research articles. Meanwhile, external data is data that is input into NVivo using an internet connection, the data input process uses the ncapture for NVivo facility. Examples of external data originating from the internet such as YouTube, online news, and various social media. The second stage, coding data according to the answers to the research question. Coding is simple words or sentences that are answers to research questions. At this stage, content analysis is carried out, namely the stage of understanding the words or sentences in the research data (Tambun, 2021). Specifically for the coding process for YouTube data sources or social media sources in video form, coding is carried out after there is a transcript of the YouTube content or video.

Analysis was carried out by making transcripts, then a coding process was carried out (Salahudin et al., 2020). The third stage, create a coding visualization image. Visualization coding is a collection of coding that forms an image. Coding images are interconnected with various data sources. This coding image is analyzed in the process of drawing research conclusions. The fourth stage, determining research conclusions. Research conclusions are answers to research questions. The answer can be seen from the existing coding. Coding is considered to have strong validity if the coding is confirmed from various data sources. Coding validity is strong if it is confirmed at least three times from various data sources. This principle is a measurement of coding validity using the triangulation method (Natow, 2020). Next, the coding is sorted based on the most confirmations to the coding with the fewest confirmations. These coding are used as answers to research questions, as well as research conclusions.

4 RESULTS AND DISCUSSION

This research produced several references consisting of 3 YouTube, 10 Online News, and 2 research articles, and 3 social media. The coding process was carried out using NVivo 12 Plus Software. There are seven codings that are valid and confirmed at least three times in the data sources studied. Below is a visualization image of the resulting coding. All coding in Figure 1 is an answer to the research question. Coding comes from content analysis of the various data studied. The coding process uses the facilities available in the NVivo 12 Plus software. The following is a summary table and intensity of each coding created.

4.1 Faster Payment

Payment gateways can create transaction activities that are easier and faster to process, regardless of how many payments are received. Businesspeople no longer must confirm every incoming transaction manually, while customers also don't need to bother sending proof of payment because everything is recorded in a dashboard that records the reconciliation process (Nicepay, 2021).

4.2 More Payment Options

The first benefit of a payment gateway is that it allows you to provide various payment methods. This will make it easier for consumers when shopping at your

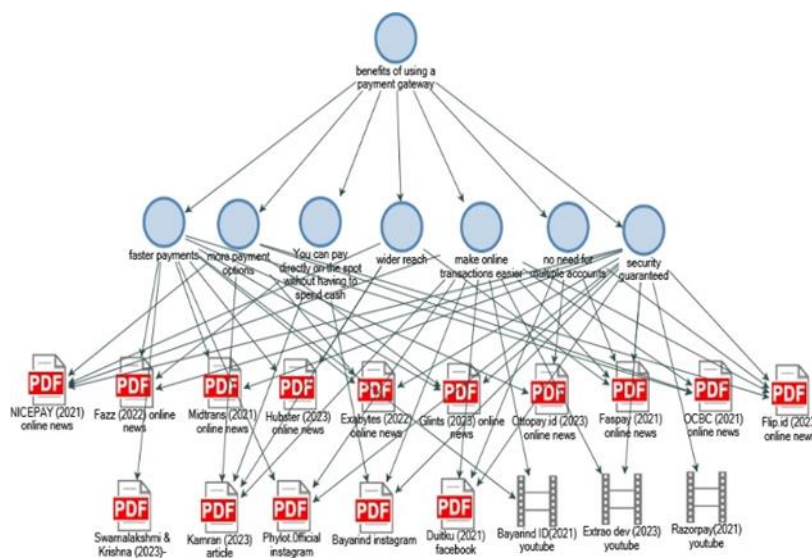


Figure 1: Image Visualization Coding.

Table 1: Coding Results.

No	Coding	Coding Intensity	References
1	Faster payments	10	(Nicepay, 2021); (Januaji, 2023); (Hubster, 2023); (Fazz, 2022); (Noviah, 2022); (ID, 2021); (Duli, 2019); (Swarnalakhmi et al., 2023); (Phylot official, 2021); (Bayarind, 2022)
2	More payment options	6	(Siddiqui & Goyal, 2023); (Nicepay, 2021); (Perdana, 2023); (Silvia, 2023); (NISP, 2021)
3	You can pay directly on the spot without having to spend cash	3	(Fazz, 2022); (Siddiqui & Goyal, 2023); (Bayarind, 2022)
4	Wider reach	4	(Siddiqui & Goyal, 2023); (Nicepay, 2021); (Hubster, 2023); (Faspay, 2021)
5	Make online transactions easier	10	(Yovita, 2023); (NISP, 2021); (Silvia, 2023); (Silvia, 2023); (Nicepay, 2021); (Dev, 2023); (Siddiqui & Goyal, 2023); (Duitku, 2021)
6	No need for multiple accounts	4	(Januaji, 2023); (Faspay, 2021); (Silvia, 2023); (Duitku, 2021)
7	Security guaranteed	12	(Yovita, 2023); (NISP, 2021); (Faspay, 2021); (Silvia, 2023); (Perdana, 2023); (Fazz, 2022); (Nicepay, 2021); (Noviah, 2022); (Razorpay, 2021); (Dev, 2023); (Duitku, 2021)

store. Because consumers have many choices when they want to make payments according to their wishes. Just imagine, what if you only provide one bank account as a payment method but it turns out that many of your customers are not your customers? Apart from being burdened with inter-bank transfer fees, they may become lazy about shopping at your online shop. The more payment methods available in an online business, the greater the opportunity to provide transaction convenience and increase customer satisfaction. By integrating a payment gateway, businesspeople only need to provide one bank account to receive incoming transactions from various channels, such as virtual accounts, credit cards, bank transfers, retail stores and digital wallets (Nicepay, 2021).

4.3 You Can Pay Directly on the Spot without Having to Spend Cash

Cashless is a term that means no or no use of physical cash. Nowadays, the cashless system in question is a transaction using a digital form of payment. This applies to every type of payment and transaction carried out by every person. The benefit of cashless that can be felt by everyone is convenience, because by using cashless they no longer need to carry a lot of cash, so they can minimize the risk of theft (Siddiqui & Goyal, 2023).

4.4 Wider Reach

The integration of various payment methods in an online business can expand market reach, considering that customers can adjust the method they want, and can make transactions from anywhere and at any time. In addition, the proliferation of so many internet users have enabled an increase in incoming transactions (Nicepay, 2021).

4.5 Make Online Transactions Easier

One of the benefits of this payment gateway is that the online transaction process becomes easier. This relates to payments that can be made online. So, you don't need to come to the bank or go to the seller directly. With this convenience, you can use your time more effectively. Especially if you are busy. It will be very profitable if you use online transactions (Nicepay, 2021).

4.6 No Need for Multiple Accounts

The first convenience obtained by having an online payment system is that businesspeople do not need to provide all accounts from all banks in Indonesia. Payment gateway allows you to automatically connect with banks in Indonesia in just 1 integration. Online shops don't need to provide multiple accounts from various banks. because with a payment gateway, payments from various bank accounts will be entered into one main account belonging to the online shop (Faspay, 2021).

4.7 Security Guaranteed

1. Encryption: Payment gateways use encryption to ensure that sensitive information such as credit card numbers is protected during the data transfer process. This means that if a hacker tries to steal the data, they will not be able to read the data.

2. Authentication: Usually payment gateways require customers to enter a password or other form of authentication before completing the transaction process. This helps prevent cases of fraud and ensures that only the original account owner can make purchases.

3. Fraud detection: Used to identify suspicious transactions and provide warnings to online shop owners or debit or credit card holders.

4. Certification: Payment gateways must meet strict security standards, such as having a Payment Card Industry Data Security Standard (PCI DSS) certificate. This serves to ensure that the payment gateway can implement appropriate security measures to deal with data leaks or other security issues.

Transaction security, as well as safeguarding customer data and information are the basics that payment gateway service providers must continue to pay attention to. This can be ensured by the existence of an anti-fraud system, such as the Fraud & Risk Identification System & Knowledge (FRISK) which helps monitor risky transactions. On the other hand, Payment Card Industry Data Security Standard Level 1 certification and a license from Bank Indonesia are also considerations (Nicepay, 2021).

5 CONCLUSIONS

The results of this research have obtained answers to the research questions posed at the beginning. There are seven benefit points that can help users of the Payment Gateway system, so that it can become an

alternative and solution for society in meeting their daily and business needs. The seven benefits are fast transaction process, various payment methods, can pay directly on the spot without having to spend cash, wider business reach, easy transaction process, businesspeople don't need to create multiple accounts, guaranteed security. The results of this research can be implemented by payment gateway users so they can know and receive education regarding the benefits of payment gateways, so they can avoid various kinds of conflicts or problems. The research recommends seven benefits to become a wise payment gateway user in the technological era, where the payment gateway process can be activated easily by the public and businesspeople.

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