

E-Commerce

The use of the Internet, the World Wide Web (Web), and mobile apps to transact business. Although the terms Internet and Web are often used interchangeably, they are actually two very different things.

The Internet is a worldwide network of computer networks, and the Web is one of the Internet's most popular services, providing access to billions of Web pages.

More formally, we focus on digitally enabled commercial transactions between and among organizations and individuals. Digitally enabled transactions include all transactions mediated by digital technology. For the most part, this means transactions that occur over the Internet, the Web, and/or via mobile apps.

Electronic commerce or e-commerce refers to a wide range of online business activities for products and services. It also pertains to “any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact.”

E-commerce the buying and selling of products and services by businesses and consumers through an electronic medium, without using any paper documents. E-commerce is widely considered the buying and selling of products over the internet.

Traditional Commerce

commerce encompasses all those activities that simplify the exchange of goods and services, from manufacturer to the final consumer. When the goods are produced, it does not reach to the customer directly rather it has to pass from various activities, which are included under commerce. Its main function is to satisfy the wants of consumers by making goods available to them, at the right time and place.

Traditional Commerce	E-commerce
Traditional commerce focuses on the exchange of products and services through personal interactions so it is manual.	E-commerce trading activities are online via the internet and can be considered automatic.
Traditional commerce is limited to business hours, mostly during the day.	E-commerce is 24X7, it can be done anytime day and night.
As far as consumer interactions are concerned, traditional commerce provides face to face interaction.	E-commerce can be termed as screen to face interaction.
Traditional commerce is limited to a particular geographical location.	E-commerce is global and has no physical limitation.
Modes of payment in traditional commerce include cash, cheques and credit cards.	In E-commerce modes of payments are bank transfer, credit card, e-wallet, mobile payment and many more.
Goods and delivery of services is instant with traditional commerce.	In E-commerce delivery of goods or services takes some time.
Traditional Commerce's scope is local.	E-commerce's scope is global.

Electronic business (e-business)

Refers to the use of the Web, Internet, intranets, extranets or some combination thereof to conduct business. E-business is similar to e-commerce, but it goes beyond the simple buying and selling of products and services online. E-business includes a much wider range of businesses processes, electronic order processing and customer relationship management. E-business processes, therefore, can help companies to operate more effectively and efficiently.

Distinguish between e-commerce and e business

1. E- Business is broader in scope and e-commerce is just aspect or a subset of it.
2. E-commerce only covers business transactions such as buying and selling of goods and services over the internet.
3. E-commerce essentially involves monetary trade while in e-business, money transaction is not necessary.

AUTOMATED TELLER MACHINES (ATM):

An unattended electronic machine in a public place, connected to a data system and related equipment and activated by a bank customer to obtain cash withdrawals and other banking services. Also called *automatic teller machine*, *cash machine*; Also called *money machine*.

An automated teller machine or automatic teller machine (ATM) is an electronic computerized telecommunications device that allows a financial institution's customers to directly use a secure method of communication to access their bank accounts, order or make cash withdrawals (or cash advances using a credit card) and check their account balances without the need for a human bank teller. Many ATMs also allow people to deposit cash or cheques, transfer money between their bank accounts, top up their mobile phones' pre-paid accounts or even buy postage stamps.

On most modern ATMs, the customer identifies him or herself by inserting a plastic card with a magnetic stripe or a plastic smartcard with a chip, that contains his or her account number.

The customer then verifies their identity by entering a passcode, often referred to as a PIN (Personal Identification Number) of four or more digits. Upon successful entry of the PIN, the customer may perform a transaction.

If the number is entered incorrectly several times in a row (usually three attempts per card insertion), some ATMs will attempt retain the card as a security precaution to prevent an unauthorised user from discovering the PIN by guesswork. Captured cards are often destroyed if the ATM owner is not the card issuing bank, as noncustomer's identities cannot be reliably confirmed.

Credit Cards & Debit Cards:

Credit cards and debit cards typically look almost identical, with 16-digit card numbers, expiration dates, magnetic strips, and EMV chips. Both can make it easy and convenient to make purchases in stores or online, with one key difference. Debit cards allow you to spend money by drawing on funds you have deposited at the bank. Credit cards allow you to borrow money from the card issuer up to a certain limit to purchase items or withdraw cash.

The main difference between a debit card and a credit card is the form of payment. On a debit card, the payment is charged directly to the cardholder's current account. Therefore, it only allows charges up to the limit of the funds in the account. With the credit card you can pay even if you don't have funds, as you can defer the charge until the next month. In this way, the holder incurs a debt with the bank.

Before granting a credit card, the bank studies the viability, making sure that the customer is solvent and assigns a maximum credit limit for that card. The credit can be paid back in different ways: at the end of the month (an established day of the month following the purchase), by percentage (paid each month) or a fixed rate (this modality is known as revolving, and consists of paying an established fixed amount).

Credit cards make it possible to finance: pay in instalments and make your purchases without having to pay the total amount of the payment as long as the limit granted by the Bank is not exceeded. This means that the holder is charged interest if they decide to defer payment. With debit cards, on the other hand, the amount is charged directly to the cardholder's account and deducted directly from the balance.

Credit card vs. debit card at the ATM

There are also differences if you want to withdraw cash from an ATM. If you use your debit card in an ATM of the financial institution that issued it, normally, you will not have to pay any commission. However, if you withdraw cash with your credit card, the financial institution may charge you interest for advancing that money. Cash withdrawals by credit card are against the credit limit given to you by the bank and not against your current account.

e-Cheque

e-Cheque is the electronic version of paper cheque. The Information and Legal Framework on the E-Cheque is the same as that of the paper cheque's.

It can now be used in place of paper cheques to do any and all remote transactions.

An E-cheque work the same way a cheque does, the cheque writer "writes" the e-Cheque using one of many types of electronic devices and "gives" the e-Cheque to the payee electronically.