

# Fintech Is Backbone of E- Commerce

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**ABSTRACT:** The aim of this paper is to showcase the financial technology which is delivering robust e-commerce platform in various ways. Fintech's greatest contribution to global e-commerce has been altering and improving the online payment system. The financial technology it involves e-commerce platforms has improved efficiency and security for e-commerce. It remains one of the most dynamic and innovative start up sectors. From online lending, mobile and online payments, to update existing financial processes and services. Such advancements are not only changing how consumers access and interact with financial services, but also improving upon existing systems. Fintech is not only help to connect sellers and customer orders, deliveries, returns and payments of purchased goods. Financial technology plays an important role throughout the value chain, in areas such as recruitment, marketing and advertising, among many others. Technology even enables search, customization and personalization for customers, which is fast becoming an obligatory feature expected from any e-commerce venture looking to succeed. As technology becomes more advanced and sophisticated overtime, its role reaches critical levels of importance in the e-commerce value chain. Without fintech cross-border e-commerce would be almost impossible.

## 1. INTRODUCTION

Fintech is a term shortened from the word financial technology is used to describe new tech that seeks to improve and automate the delivery and use of financial services. Technology keeps advancing year after year, improving the way we live and do business. One of the best things that the technology is changing is financial element of the online world, most notably e-commerce. Fintech is useful to help the companies, business owners and consumers for better manage their financial operations, processes and lives by utilising specialized software and algorithms that are used on computers and increasingly Smartphone's. Fintech revolution threatened to take down the financial industry in the same way that e-commerce had disrupted traditional retail so many years before. E-commerce has attracted the consumer's attention, increase in mobile wallets and apps that can be used online are fast replacing the traditional methods such as checks and payment on delivery. The internet and online transactions have become seamless and easier through the growth of financial technology. Convenience is an essential value proposition associated with e-commerce. Faster, efficient and secure payment options have played a big role in driving the unprecedented growth of the

e-commerce market in recent years. Fintech had a huge impact on the development of e-commerce sector. Consequently, fintech will be an important player in the future of e-commerce because the success of an e-commerce platform often boils down to flexibility, cost and ease of use.

## 2. E-COMMERCE PAYMENTS:

- E-commerce is the commercial activities are carried out with the use of electronic media especially using computer, networks and various digital devices.
- Payment is a part of e-commerce, we used for making payments through mobile wallets and various payment applications.
- In past few years COD (cash on delivery) is the only way to pay for purchase goods in online.
- But, now it has been changed because there is so many applications they provide facilities for payment through online.
- Which is not only using these applications for paying purchased goods and also for paying the various purposes like paying the electronic bills, paying phone bills, paying fee for educational purpose such as examination fees, online course fees, other fees related to that.
- There is high security for making payments through the wallets and applications only which are official and legalised.

### **3. PLATFORM FOR FUND TRANSFER**

- Peer to peer (P2P) payments have enabled family members to transfer funds to other family members, even in remote locations.
- As we know the payment applications for making our payment for purchased goods.
- The next side in e-commerce is fund transfer.
- Fintech facilitates the users for transfer their funds to the needy people.
- They can easily transfer the amount from their own bank account to the other person's account through the financial technology.
- For this purpose we need only have any applications which are able to transfer amount and have a bank account.
- Banks are also creating their own applications for accomplishing fund transfer activities.
- It is more useful for users and convenient to transfer money to the required person in their emergency situations.
- It is financial activity which is protected by the bank so it is more safe to transfer our money.

### **4. SMOOTHENING THE ONLINE SHOPPING**

- Online shopping is a form of an e-commerce which allows consumers to buy goods as their wish from seller over the internet using a web browser.
- Fintech plays a major role in online shopping.
- For shopping, we need to pay the amount required for the purchase. Here, we have an account in bank and payment application for make our payment.
- Behind this purpose fintech is the reason for this financial activity.

### **5. BLOCK CHAIN**

- Block chain technology has become the most widely known application of financial technology.
- Block chain is regarded as one of the safest and transparent platforms for buyers and sellers.
- It is becoming a significant player in the e-commerce industry because of its promise of pricing freedom, quicker compensation, clearer transactional terms and overall online safety.
- By design, a block chain is resistant to modification of the data.
- It is an open distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way.
- It serves as the public transaction ledger of the crypto currency bit coin.
- A crypto currency is a digital asset designed to work as a medium of exchange that uses strong cryptography to secure transactions.

### **6. CONCLUSION**

As I conclude this paper overall, e-commerce has indeed been growing in popularity-especially under certain demographics such as millennial's. For the current generation of young people or digital natives as they are called technology is a normal part of their daily life. Similarly, technology is also paving the way of e-commerce to become a persistent presence in the lives of the user in an unbelievable fashion. The rapid rise and equally rapid evolution of online and mobile commerce gives rise to Financial Technology and a wave of new payment Method

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