

# E-Payment in Hotel industry

**Mrs. Anjali Daniel Chatterton**

Sr. Lecturer

Anjuman-I-Islam's Institute of Hospitality Management, Mumbai, India

**Abstract:** *Electronic payments are more convenient than cash payments for a variety of reasons. Payments can be made and accepted instantly. You can use the internet to make payments via online payment. This payment method will be used by customers to make both online and offline purchases of goods. You can send and receive money online without providing your credit or debit card information by using an e-payment account. Because e-payment businesses can make money transfers and purchases easier, more individuals are using them these days'-payment, in general, refers to making a financial transaction through electronic equipment, especially the internet, to purchase a good or service.*

**Keywords:** Online Payment, E- Payment.

## I. INTRODUCTION

You can send and receive money online without providing your credit or debit card information by using an e-payment account. Because e-payment businesses can make money transfers and purchases easier, more individuals are using them these days'-payment, in general, refers to making a financial transaction through electronic equipment, especially the internet, to purchase a good or service. What benefits can electronic payments offer?

Impulse purchase. Clients are able to make payments as soon as they get the want to acquire.

Credibility and security.

The price of converting money.

Encouraged to make better-quality purchases.

Money is more readily available.

The price....

Superior degree of safeguarding for consumers.

Organizations that manage cards.

## II. REVIEW OF LITERATURE

**Eva Lacalle (2022)** believes that one of the most important aspects that can help the hotel business run more efficiently with technologies like smart payments is having a robust system for processing payments. To increase the likelihood that customers will finish their reservation and prevent website abandonment, hotels should make booking and payment processes simpler. This is another area in which smart technology is useful; it allows for the seamless integration of various payment methods, facilitating faster, more automated, and secure transaction processing.

**Hanna Shnaider 2021** explains that Hotels and restaurants have been among the first to accept smartphones as a credit/debit card, thanks to the evolution of mobile application development. The internet and apps made possible by mobile technology have given many sectors the chance to better engage and serve their customers. Mobile payments function and benefit users in the same ways as smartcards. Both rely on radio waves for response and employ identical technology, necessitating POS terminals.

### Electronic Payment Types.

Credit and debit cards, digital wallets (PayPal), gift cards, online banking transfers, smartphone payment apps (Apple Pay, Google Pay), crypto currency ((Bitcoin), etc.), and direct debits are examples of common electronic payment methods.

History of Digital Payments in India In 2008, the National Payments Corporation of India ((Bit1) began building a robust payment and settlement infrastructure in the country. Certain banks have a cap on the daily maximum amount that can be moved or the number of transactions that can occur. There's also usually a deadline associated with most

online transactions (e.g., accepting and sending OTPs). All these limitations could prove to be very inconvenient for certain people.

Electronic payments are more convenient than cash payments for a variety of reasons. Payments can be made and accepted instantly, to start with. There is no need for your clients to locate a bank branch or wait in line at a cash distributor. Digital payments come in a variety of forms and formats. Various methods of payment are employed, such as bank prepaid cards, digital payment apps, mobile wallets, Unified Payments Interface (UPI) service, Unstructured Supplementary Service Data ((USS)), and debit/credit card usage. The term "electronic funds transfer," or "EFT payment," refers to a variety of electronic payment methods, such as wire transfers and ACH transactions. Because every EFT payment is made online without the use of paper checks, it is also known as an electronic payment (e-Payment).

The majority of Indian banks have started offering online banking services as of late. It is now among the most widely used methods for making purchases online. In India, there is a virtual banking option available for every payment channel. Among the most popular methods for doing transactions through online banking are NEFT, RTGS, and IMPS. You can use the internet to make payments via online payment. This payment method will be used by customers to make both online and offline purchases of goods. They have access to a variety of online payment options, such as digital wallets, wire transfers, net banking, and credit and debit cards. Benefits. Providing your customers with contemporary payment choices can help your business by facilitating quicker and more flexible transactions. Additionally, you can cut down on wait times and lines, remove client annoyance, and enhance the attractiveness, modernity, and trendiness of your business.

Key advantages of paying with cash in hotels:

Practical for visitors: Naturally, visitors can make payments while on the go without needing to carry cash. Either they pay in-person at your resort, or they pay while making their reservation via any channel (OTA, booking engine, etc.). They find this convenient, and it even speeds up transactions.

Minimizes human error: Electronic payment transactions are safer against theft and more convenient to record and trace. Furthermore, managers are spared from meticulously recording this inflow against the receipts, eliminating the possibility of human error.

Facilitates contactless and paperless payments: One of the most popular arguments for becoming cashless is that it's the new normal to make payments contactless. Additionally, it facilitates faster service to a greater number of guests, increasing hotel income.

Enables accurate gathering of client information: Every transaction performed using cashless payments is recorded, giving you vital information about who purchases what and when. This provides you with the chance to learn more about your clients and provide them with services that suit their interests.

Removes the dangers associated with holding cash: Managing currency entails several hazards. It may be misplaced, destroyed by natural disasters, inadvertently give away more change, and other incidents. Having a cashless system makes money management very easy.

Prepaid reservations and loyal clients: Getting booked in advance

EFT Payment Types

Digital checks. Once the payer approves this payment, a digital check is created. ..

Straight Deposit. Funds are automatically deposited into an account by direct deposit, requiring little to no paperwork.

Mobile Payments.

Transactions with ATMs.

Transactions with Cards.

Internet-Based Deals.

The three organizations are essential to internet payments.

The bank account of the recipient

The bank account of the payer

The party handling payments.

The hotel's bank account that receives credit for the payment is the recipient bank account.

The bank account from which the funds are debited is known as the payer bank account.

Copyright to IJAR SCT

[www.ijarsct.co.in](http://www.ijarsct.co.in)

The payer bank and the receiving bank are connected by the payment processor. It oversees safety and security throughout the payment procedure.

In order to process this, we require the payment gateway. The customer's information will be gathered by the payment gateway and forwarded to the payment processor.

Online payments have two sides, just like any coin. Online payments provide a number of difficulties as well:

Low internet speed causes the transaction to stop.

Money lost and card details stolen.

Costly international exchanges.

Mid-size hotels are experiencing a technical issue with online payments.

How to overcome the online payment difficulties-

The difficulties associated with online payments can be managed in a variety of ways. Any payment method used in the hotel reservation system can be used in this manner. Tell us about each of them individually:

A hotel should have a mobile application or website that is tiny, loads quickly, and accepts payments slowly. Please use the most recent version of the mobile application to make payments online. The card information and CVV should not be saved at the payment gate. A two-step authentication method on your hotel website would be beneficial. It will strengthen the payment process' security. Any kind of data is stored in the browser cache. Details about your bank account can also be included. Therefore, always clear the cache in your browser after making any form of payment. As a result, it is evident that hotel reservations accept a variety of payment methods. The best payment method and payment gateway depend on the needs of your website. Without a doubt, this age also requires online payment for reservations, and it is ideal if it is safe and secure.

## II. CONCLUSION

To sum up, there are a lot of benefits associated with virtual payments, such as cost savings, ease, and security. There are, however, a number of drawbacks to take into account, including technical problems, security threats, and a lack of adequate consumer protection. The term "electronic payment" describes a payment method that excludes the use of actual cash or checks. Debit card, credit card, smart card, e-wallet, etc. are among them. The primary factor contributing to the online development of e-commerce is the utilization of payment methods, some of which have been examined in this paper. Payment options for hotel reservations are numerous. The best payment method and payment gateway depend on the needs of your website. Without a doubt, this age also requires online payment for reservations, and it is ideal if it is safe and secure.

## REFERENCES

- [1]. Payment Processing In The Hotel industry- Anubha Jain, Share Tweet Save
- [2]. Cashless Payments in Hotels: The What, Why, and How? By MehulFanawala
- [3]. When to use which mode of e- payment By Shaikh Zoab
- [4]. Opportunities and Challenges of E- Payment System in India
- [5]. September 2017 International Journal of Scientific Research and Management (IJSRM) 5(9) DOI:10.18535/ijstrm/v5i9.02 Authors: Sujith T SAMrita ( VishwaVidyapeetham)
- [6]. Why should your hotel use a smart payment system? 19 Jan 2022 Eva Lacalle (2022)
- [7]. How Mobile Payments Are Transforming The Hospitality And Restaurant Industries?
- [8]. Hanna Shnaider 2021