



## An overview of E-payment System(E-Sewa)

Nisha Shrestha

### **Abstract**

*The study has the major purpose to investigate the factors that affects e-payment system in the context of Nepal. This study is quantitative in nature and adopted the regression model for analysis of the results on this paper concludes that the overall model is significant. In this study it is shown about the factors that affect the style of payment system.*

**Keywords:** E-sewa, electronic device, online payment system, online business

*Received 02 July, 2022; Revised 14 August, 2022; Accepted 16 August, 2022 © The author(s) 2022.*

*Published with open access at [www.questjournals.org](http://www.questjournals.org)*

### **I. Introduction**

An E- payment system is one of the electronic process of doing transactions of money for buying goods and services. The world is adopting the concept of paperless money transactions and hence the e-payments system is being more popular day by day. The e-payment system includes debit card, credit card, mobile banking, internet banking, e- wallet, e- cash, e-cheque etc. This system has helped to save much time of people and provided more secure online business too. The developed countries have got very advanced e-payment system and have enjoyed lots of advantages of this system too. They have adopted the concept of paperless cash transactions and replaced paper cash through the use of e payment system. In case of developing countries like Nepal too the concept of e-payment system has started a decade ago. The commonly used e-payment system in Nepal is ATM card. After ATM cards the concept of internet banking, mobile banking, credit cards etc are being introduced. Now the concept of e-sewa has broadened the knowledge of people regarding the e payment system.

E- Sewa is a digital payment platform developed by the F1Soft, an international software development company. F1 soft is one of the most popular software developing company in Nepal which has developed many software applications in Nepal. The owner of f1soft is Biswash Dhakal .By realizing the need of digital payment platform in case of Nepal, F1Soft developed E-sewa and after its successful acceptance by the Nepalese citizen, their management decided to develop it as a separate wing under their ownership.

Today E-sewa has been recognized as a brand in case of digital payment channel. It has been in operation since 2009 A.D. the NEPAL RASTRA BANK has provided licensed to E-sewa as payment service providers. Customer can pay, send and receive money from their mobile phone and internet instantly. Customer need to register and create their E-sewa account, cash in to their account from agents and different partner bank and make their payments. It is simple, easier and faster. It provides hassle free, secure and immediate payment service. Customers can pay for utilities, mobile recharge, internet bills, buy airlines tickets and many more.

E-sewa is basically known for convenient usage. The customers of E-sewa can easily load the money on their E-sewa account through mobile banking or internet banking. Apart from that they can also visit to the nearby banks or their own bank and load money on their account without any kind of charge, likewise, if there are any E-sewa cash points in their nearby locality or surrounding, they can load their account from them. So ,it has make attempt to provide maximum comfort to their customers.

The people can contact to their nearby branches for any kind of problem or enquiries. They are totally customer oriented business that why for every new user they contact themselves if any difficulties have arisen or not. So, E-sewa is focusing on every steps for total customer satisfaction.

The list of payment service provided by E-sewa are Utilities bills payments, Internet service bills payments, Movies tickets purchase, Online shopping ,Antivirus purchase, Food and hospitality, Airlines tickets etc. These mentioned facilities are exciting also because of the cash back and bonus offers provided by it. The marketing of the E-sewa has been done in massive rate that's why most of the people have known about it.

Though they may not be using it but they heard about it at least for once. Despite being the most popular digital payment platform, there are still lots of factors that are influencing the E-sewa for its massive growth.

Most people have heard about E-sewa but are not using it for their payment purpose because of many factors. The growth of the E-sewa can be seen in the urban areas but not in the rural areas. The entry of E-sewa and its acceptance in the rural areas is one of the major challenges of it. Even in case of urban areas the limited population especially the young group seems to use it not the older ones. There can be factors like ignorance, lack of infrastructure, securities issues, lack of knowledge of it, gender issues, age factors etc behind its overall acceptance and usage.

## **1.2 Objectives**

The main objectives of the report are as follows:

- To check if people are using E-sewa or not
- To find out the factors affecting E-sewa acceptance
- To find out if just one factors is influencing or the multiple factors are behind it
- To find out if people know to operate E-sewa& about the offers ,cash back facility and bonus provided by E-sewa
- To check if people are skeptic towards E-sewa

## **1.3 Literature Review**

Literature review is very important part in every research. It provides us knowledge about the topic and its various components that are necessary to be included in the research. Basically the literature review helps us to know the past records, data, reports related to our research topic. By analysis those components we can make our research more effective and strong.

Online business is one of the new trend of business in which the transaction of goods and services is done over the internet. Most of the business companies are introducing their own online business application like Amazon, Daraz , Sasto Bazaar etc to reach to large number of population and sell their products and services.

PasangSherpa(2015) in his thesis about mobile banking has mentioned that mobile banking is growing in urban areas but it's a challenge to develop the mobile banking in rural areas. Better infrastructure development can leads towards its growth.

Sherpa Pasang (2015),Development and impact of mobile banking in nepal ,<https://www.theseus.fi/bitstream/handle/10024/97083/Development%20And%20Impact%20Of%20Mobile%20Banking%20In%20Nepal.pdf?sequence=1&isAllowed=y>

According to the report by USAID(2012) has mentioned in their report that more than 70 percent of Nepali households are unbanked, but with new, innovative services launched with support from USAID's Nepal Economic Agriculture and Trade (NEAT) project, mobile financial services could be available nationwide within five years.

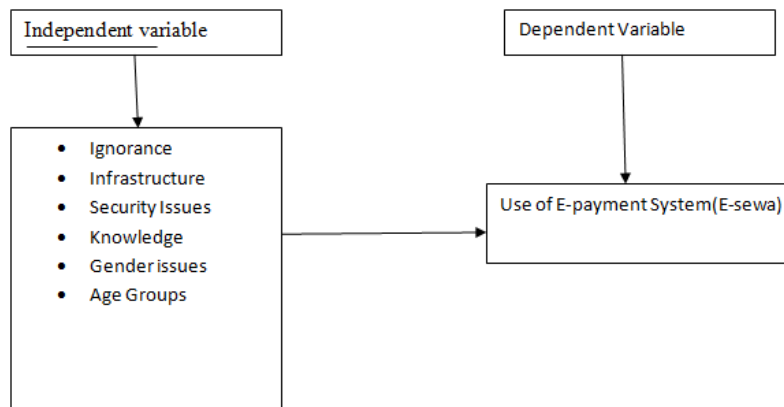
USAID NEAT(2012),Transforming rural economics through mobile banking in Nepal, <https://www.usaid.gov/nepal/newsletter/may-june-2013/transforming-rural-economies-through-mobile-banking-nepal>

Wenjing yang (2017) on his report on online payment has mentioned that most of the people are now familiar with online e-payment system and are using it mostly foe e commerce and online shopping. They find it convenient and fast but malware attacks, vulnerability to cyber criminals and financial issues are still the challenges to recover.

Wenjing Yang (2017), Analysis on online payments systems of ecommerce, [https://www.theseus.fi/bitstream/handle/10024/139600/Yang\\_Wenjing.pdf?sequence=1&isAllowed=y](https://www.theseus.fi/bitstream/handle/10024/139600/Yang_Wenjing.pdf?sequence=1&isAllowed=y)

## **1.4Theoretical Framework**

The concept of e- payment system has been started in Nepal almost a decade ago. Still it has not developed in effective way. Most of the people in remote areas are have not yet heard about this system. The ideas like e-sewa and khalti.com developed recently have somehow attracted the attention of urban people but it is not sufficient yet for its overall development. Different factors are influencing the e payment system. It can be seen as follows:



### 1.5 Research Methods Used

Every report has got different methods to get the data analyze them deeply and then demonstrate the result/ conclusion. With the help of these research methods our calculation becomes more accurate and hence the result and outcomes of our report becomes more scientific and reliable. The report then can be used by other people for getting different ideas for their report making. Similarly, this report is also prepared by using the following methods: -

#### A. Research design

Different research designs are used in research process according to the need of the research. There are different kind of research design available .Since our research is based on questionnaire and hypothesis we are using the exploratory research for our research. Exploratory research is a research design that is used to identify problem and analysis of problems, selection of alternatives and find new idea in the area where is less knowledge. Explanation is useful when researcher lacks a clear data of the problem. This research is less structured and more flexible. This design uses informal approach and explains the problems and collects the data. Exploratory research design formulates hypothesis and presents the clear situations and provides direction for formal research.

Here we go research through hypothesis.

- Null hypothesis= adults do not use E-sewa more than the teenage and old age groups
- Alternative hypothesis= adults use E-sewa more than the teenage and old age groups

#### B. Nature and sources of data

Since the data that is used in this report are all in figures the nature of the data is quantitative data.

Also these data are collected by interacting with the respondents personally so sources of collection of data is primary sources of data.

There are two types of data. Primary data and secondary data.

Primary data: all the data are collected through questionnaire directly contacting with the respondents. There is full information collected which have been found through research. Various data has been found through questionnaire about the payment system. And here the relation is shown through the hypothesis.

Secondary Data: Those data which are collected through books, library, internet etc are called secondary data .These data are already collected by the other people by themselves or through some events. Then it is stored in the safe places like library, internet, directory, books etc so that they can be used by the other researcher as the sources for doing their research. But in our research there were not any such data found. So, no secondary data are included.

#### C. Sampling

The research is done on population having different types of people of varies gender, age, qualification, religion and even territories. Since we are students and there is times limit to our research, we cannot do survey to a whole population. That's why we have tried to do a sampling survey and generalize to the result to the whole population. The research we are doing is based on sample sampling survey. Our survey is conducted in the Butwal city among the respondents of 30. they were given questionnaire and told to fill them according to their experiences. Finally, the questionnaires were collected back and data were analyzed. All the data collected and report made are completely based on the respondent's responses.

#### D. Data analysis tools

The data analysis tools are very important for the effective analysis of the report. They help us to present our data by calculating accurately. The result becomes reliable by using these tools. Also they help to show our research result in pictures and make our report more attractive. The people can easily understand the result looking the diagrams rather than feeling difficult to look at the data in the paragraph. Through these tools we can make our report accurate and attractive. Among the different data analysis tools I am using the following tools:

1. Bar diagram
2. Pie chart
3. Hypothesis testing

#### 1.6 Limitation of the Study

Report making is a very complicated and time consuming task. It requires minor details to be taken care. Yet due to the short period time I am not able to focus on all those minor details. So some of the limitations of the report are as follows: -

1. It includes data given by the respondents.
2. The result is applicable for respondents of Butwal.
3. It has not focused to all the variables factors.
4. The result is focused only on the primary data available.
5. The area of sample collection is small.
6. It assumed that data given by respondents is true.

#### 1.7 Conclusion

The payment style of Nepalese people has been entered in new phase. The increasing development on information and technology has been able to bring out such changes in Nepalese society. In few years back people were busy standing in queue and pay their bills. They had to go to travels to book their tickets. The financial transaction was done by going to banks. But now the scenario is completely new and smart. With the availability of smart online payment platform like E-sewa people are performing all the activities sitting inside their own home. Need air ticket, recharge mobile, pay utility bills or book hotels all are done within the second of few clicks. All this has make people life easier and time saving.

#### BIBLIOGRAPHY

- [1]. <https://www.theseus.fi/bitstream/handle/10024/97083/Development%20And%20Impact%20Of%20Mobile%20Banking%20In%20Nepal.pdf?sequence=1&isAllowed=y>
- [2]. <https://www.usaid.gov/nepal/newsletter/may-june-2013/transforming-rural-economies-through-mobile-banking-nepal>
- [3]. [https://www.theseus.fi/bitstream/handle/10024/139600/Yang\\_Wenjing.pdf?sequence=1&isAllowed=y](https://www.theseus.fi/bitstream/handle/10024/139600/Yang_Wenjing.pdf?sequence=1&isAllowed=y)
- [4]. <https://www.slideshare.net/ayushtamrakar/esewa-ecommerce-project-report>
- [5]. [http://bscitinnepal.blogspot.com/2011/08/sixth-semester-e-commerce-case-study-on\\_14.html](http://bscitinnepal.blogspot.com/2011/08/sixth-semester-e-commerce-case-study-on_14.html)
- [6]. Paul, T. Kidd. (2000). E-business. Netherlands: IOS Press.
- [7]. Braithwaite, Timothy. (2002). Securing E- business System. New York : John Wiley & Sons, Inc.
- [8]. Waddell, Dianne. (2004). E business Innovation & Change Management . London: Idea Group Publishing
- [9]. Pandey, D.L. (2070). E-payment System. Kathmandu: Asia Publication
- [10]. Adhikari, D.R. (2005). Online payment System . Kathmandu: Buddha Educational Publication