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Proceedings ICETD 2012

The First International Conference in Engineering and Technology Development

Universitas Bandar Lampung
20 - 21, June 2012
Lampung, Indonesia

PREFACE

The activities of the International Conference is in line and very appropriate with the vision and mission of the UBL to promote training and education as well as research in these areas.

On behave of the First International Conference of Engineering and Technology Development (ICETD 2012) organizing committee; we are very pleased with the very good responses especially from the keynote speakers and from the participants. It is noteworthy to point out that about 45 technical papers were received for this conference

The participants of conference come from many well known universitas, among others: Universitas Bandar Lampung, International Islamic University Malaysia, University Malaysia Trengganu, Nanyang Technological University, Curtin University of Technology Australia, University Putra Malaysia, Jamal Mohamed College India, ITB, Mercu Buana University, National University Malaysia, Surya Institute Jakarta, Diponogoro University, Unila, Universitas Malahayati, University Pelita Harapan, STIMIK Kristen Newmann, BPPT Lampung, Nurtanio University Bandung, STIMIK Tarakanita, University Sultan Ageng Tirtayasa, and Pelita Bangsa.

I would like to express my deepest gratitude to the International Advisory Board members, sponsors and also welcome to all keynote speakers and all participants. I am also grateful to all organizing committee and all of the reviewers which contribute to the high standard of the conference. Also I would like to express my deepest gratitude to the Rector which give us endless support to these activities, such that the conference can be administrated on time.

Bandar Lampung, 20 Juni 2012

Mustofa Usman, Ph.D
ICETD Chairman

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Paypal Analysis as e-Payment in The e-Business Development

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Abstract— **Development of the Internet encourages the movement of traditional business to electronic business (e-business). Internet has change the business and make range of services more widely. Internet enables anyone running business with the prospective buyers from all over the world. Internet will help business local to find supplier from local or other countries more easily, there for the business will run more simple. E-business enables buyers and sellers running business without face to face, but communication and transactions can be done electronically. All this activities can be done through the Internet. Most of business people has not been using the internet as a business media especially in Sumatera. Whereas there are a lot of commodity come from Sumatera that can be sold to overseas markets.**

A few business people do not using the internet while running their business transaction. They does not looking for the supplier by using the internet. For example, through internet business people could directly purchase goods from China which is more cheaper than Indonesia. All these processes can be done through the internet. It is Very easy to find products or selling products on the Internet. But often the difficulty is how to make the payment process for all transactions. Bank has a very important role in the payment process. For domestic payments can easily be done through Bank transfer, transfer via ATM, Internet banking and SMS banking. However, to process payments from or to overseas, banks process takes several days. Payment process can be done in real time is a payment using Paypal. Paypal is a payment instrument that can foster the development of e-business. Paypal will make the small traders on the internet can receive payments from prospective buyers from overseas or make a payment when making transactions abroad through the Internet.
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Keywords— **paypal, e-business, e-commerce, e-payment, alaysis**

I. INTRODUCTION

Development of information technology drives the development of forms and business processes. Previously done business with traditional turn into business done electronically via the internet. Development of e-business provides an opportunity for everyone to make a sale on the internet either selling goods or services.

The movement of traditional business toward online businesses make a lot of cut costs. Business operating costs decrease. Examples of such real now buy goods from Medan to Java without having to come to Java. Goods purchased will be shipped approximately 2-3 days and can be accepted in Medan. The process of buying goods on the Internet also makes the price of goods sold for less than the items on

display that requires a rented room and also a guard to standby during the sales process. It is true, the process of selling on the internet also need people who standby to respond if there is going shopping or to ask. But to connect to the Internet can be done from anywhere and anytime.

The large companies develop systems to serve the customer 24 hours, so that service can be maximum. Examples such as the internet business are eBay, Agoda, an airline website to serve the ticket purchase transaction, and so forth. Internet drive the business has been done locally has been extended to national and international level. This provides the opportunity for local businesses see the potential of the area to be marketed through the internet to the world.

When doing business on the internet, for beginners often make new long transaction process is completed in terms of payment. Business with a real time payment is made large use of credit card payment. The payment process can be completed within 60 seconds. But for small businesses and startups, it is not easy to make payments in real time by accepting credit card payments online. This is due to a more complicated system and cooperation with companies that issue credit cards.

This above is not an obstacle to starting a business with respect to the payment using paypal. With Paypal, payments can be made from the whole world. And also accept payment by paypal account that is owned can be done in real time. The process is easy and fast just like sending email. Due to a paypal account is an email account. This course provides an opportunity for all people to develop business on the internet with an increasingly wide range of even the whole world.

II. PAYPAL

Paypal is a safer and easier to pay and get paid online. This service allows anyone to pay in a way they will fit, including through credit cards, bank accounts or account balances, without revealing their financial information. This is because paypal use email or paypal id as the identity. So that the other party is known email addresses which do not need a paypal account for exposing bank account numbers. To make a payment simply log into Paypal and can quickly check out a few clicks.

Currently Paypal is a global leader in online payment solutions with more than 153 million accounts worldwide. With available in 190 countries and 24 currencies around the

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world, Paypal supports global e-commerce by allowing across different locations, currencies and languages.

Paypal was founded in 1998 in San Jose, Calofornia and acquired by eBay in 2002. Paypal more credible because of security against unauthorized payments sent from accoun 100% protected. Figure 2.1 shows the appearance of the home page of Paypal.

Figure 2.1. Display the home page of Paypal

A. Paypal as a Merchant Transaction

Paypal as a payment in e-commerce solution that is versatile. Due to Paypal merchants can accept credit cards and Paypal account balances. Payment transaction may receive payments of any kind in common use. Because Paypal is also equipped with features comparable to merchant accounts and gateway to the lower price. Accept credit cards, bank transfers, debit cards, and more.

Customers shopping on the site and pay on Paypal. This is an easy and quick to accept credit cards online. With easy integration into your shopping cart, customers can pay securely and easily.

In addition to the above can also be done by sending an invoice via email, and then the payments made through Paypal. This will make the customer get the funding bill quickly because customers can pay immediately after receiving the bill.

Paypal is used in online sales sites to increase sales. Because by adding a payment through Paypal, will certainly help to get new customers - of course this will impact the increase in sales.

B. Security for Paypal Merchants

We know that online fraud is also rampant on the internet. Online fraud can be detrimental to businesses that are being developed. Paypal protects merchants from fraud, so that

merchants can expand their business and minimize losses. Paypal helps secure business by:

1) *To ensure the best level of losses in the industry Paypal with a magnitude of less than 0.5%.*
2) *Paypal protects sensitive information using the latest encryption, so that user data is not available to anyone Paypal.*
3) *Paypal fight charge backs to help avoid losses in the merchant business.*
4) *In addition to advanced technology, Paypal has more than 1,000 employees who are assigned specifically to making eBay and Paypal as a safe place to trade.*

Sites that use Paypal in the payment process has a chance to attract more buyers. Even including the new customers from around the world where goods and services offered. Buyers can be assured that they will be able to buy on the site without informing the financial information. As a seller of course, merchants can be trusted that the technology Paypal will help to process payments more secure.

C. To Withdraw Money from Paypal to a Local Bank

Payments are paid through Paypal using the email address. If payment has been made by the buyer, the merchant will receive an email notification that your Paypal account has been paid. Payments made into your Paypal balance. The existing balance in the Paypal can be used to send the payment or the funds can be withdrawn. Figure 2.2 shows that in the Paypal account Nomi Sinulingga there is balance nominal $ 1.95 USD.

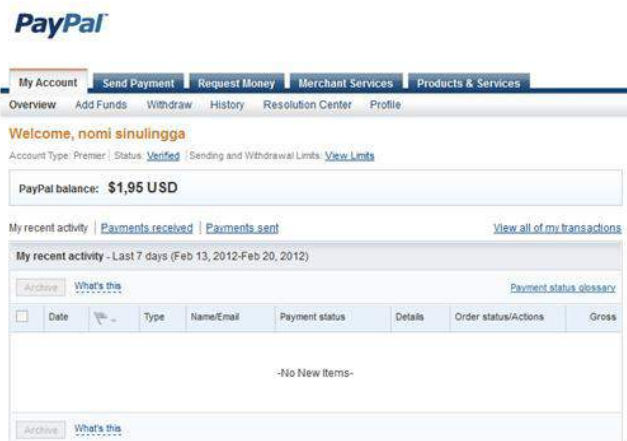Figure 2.2. Paypal by account

Withdrawing money from Paypal, must first transfer them to a local bank account. Once transferred, it can take the money. So it is highly recommended for those who want to have a Paypal account, should also have accounts at local banks.

In deciding the method of payment that will be used in online business, there are several factors that need to be in the review.

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1) Account ownership
2) The activities of transactions
3) Type of Business
4) Dispute over the past customers
5) Overall customer satisfaction.

These factors are often concerned with whether the new sellers or sellers who have limited sales activity until they establish a history of successful transactions. Traders selling in high-risk categories such as electronics or tickets, there is higher level of charge backs and disputes. Sellers who have performance problems, or high levels of buyer dissatisfaction or disagreement

D.   *Currency Used in Paypal*

Paypal serves its users with various features of the currency in the transaction. Using a Paypal account to use in transaction currency as follows:

1) Canadian Dollar
2) Euro
3) British Pound
4) The U.S. Dollar
5) Japanese Yen
6) Australian Dollar
7) The New Zealand dollar
8) Swiss Franc
9) Hong Kong Dollar
10) Singapore Dollar
11) Swedish Krona
12) Danish Krona
13) Polish
14) Norwegian Krone
15) Hungarian forint
16) Czech koruna
17) New Israeli Shekel
18) Mexican peso
19) Real Brazil (only for members in Brazil)
20) Ringgit Malaysia (only for members in Malaysia)
21) Philippine Peso
22) New Taiwan Dollar
23) Thailand Baht
24) Turkish Lira (only for members in Turkey)

In a transaction using Paypal, the buyer can do:
- Pay for purchases in the currency of his own choice.
- Payment is automatically converted to the currency you want.
- There is no need to deviate the balance in another currency to send a payment.

The seller when making payment through Paypal transaction as follows:
- Receiving a direct payment in the currency option seller
- Managing a variety of currency payments using Paypal
- Keep a balance in one currency and still accept payments in multiple currencies

E.   *Paypal Makes It Easy to Sell to Overseas*

Paypal make to sales via the internet site to reach out to foreign markets is not something that is impossible. In fact it is so easy to do because Paypal is present worldwide. With Paypal, the traders can be easy to reach the whole world.

Paypal offers a more secure and easier to help merchants attract international buyers. Paypal assist employers who wish to expand the steps to open a business e-commerce for consumers around the world.

III. PAYPAL SUPPORT eBUSINESS DEVELOPMENT

The payment using Paypal account is very quick and not difficult. Figure 3.1 shows the appearance of a bill that emerged after the transaction using Paypal
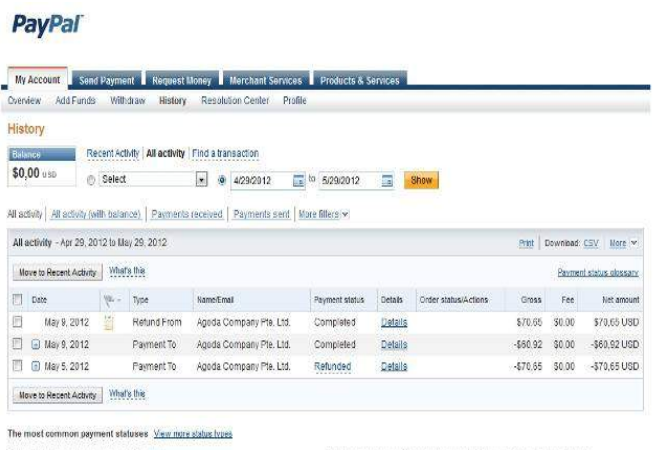

Figure 3.1 History transaction using Paypal

The payment process using paypal as soon as sending email. Paypal as a safe and secure medium for sending and receiving money provides a huge opportunity for all people everywhere to do business online. Online business is certainly not just reach out to local communities, but the greatest opportunity is to reach customers from all over the world. Paypal is currently developing around the world with 230 million accounts, it will help businesses in the process of paying online and get paid locally and internationally to quickly and safely.

Use paypal as a payment transaction more promising because it protects the seller from paypal refund or complain that depending on the circumstances and evidence. The process of money transfer can be done by easy because there is limited space and time, or in other words can send.

Paypal make traders can make transaction to the world from anywhere and at anytime as long as there is internet connection. Using Paypal as a payment, give big chance of doing business via the internet. Since most prospective buyers want to make payment by paypal as a payment method that is safe and comfortable.

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With Paypal, opportunity to grow the business over the internet (e-business) always open, given the export commodities that so many in our country, it does not have to worry about the question of what we sell on the internet via e-business.

Increase sales with efficient checkout process that is added on site as shown in Figure 3.2.

Figure 3.2. check out process using paypal

By adding Paypal to online sales site will be expanded 230 million Paypal accounts. Adding Paypal as an option would give the advantage to reach potential buyers who prefer paypal as a way to pay. In addition another advantage is that it can sell internationally because the paypal can easily sell to 190 countries and territories. Free shipping money from paypal account to paypal account. Fees apply only if the sender uses a credit card or debit card, or if you receive a payment for goods or services. Moreover there is no cost in open paypal account and no monthly fee to maintain a paypal account.

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