Unit 5

Text A

Accepting Online Payments

For many small businesses，accepting payments online offers major benefits. Customers increasingly expect this facility and it can improve your cashflow significantly.

It's easy to accept cheques or invoices[①] for your online sales and to process payments in the traditional way. However，because buyers often use the Internet for a speedy service，most sales are paid for with credit and debit cards. To accept cards online，you will have to make special banking arrangements.

Online payments using cards are "card-not-present" transactions. There are higher risks of fraud with this type of payment and banks require you to operate within a well-defined set of rules and accept a higher level of commercial risk than a conventional swiped card transaction in a shop.

1　Online Payment Jargon

Debit and credit card[②] payments and their application online involve some key concepts and jargon.

1.1　Acquirers

An acquirer[③] can be a high street bank or other financial institution that offers credit and debit card accepting/processing services. It acquires the money from the customer，processes the transaction and credits your account.

1.2　Internet Merchant Accounts（IMAs）

You need to apply for a merchant service agreement if you want a bank to handle your electronic payments. For web-based online transactions you need an IMA.

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① An invoice is a commercial document issued by a seller to the buyer，indicating the products，quantities，and agreed prices（定价）for products or services the seller has provided the buyer. An invoice indicates the buyer must pay the seller，according to the payment terms.

② A credit card is a small plastic card（塑料卡）issued to users as a system of payment. It allows its holder（持有人）to buy goods and services based on the holder's promise to pay for these goods and services.

③ An acquirer（or acquiring bank）is a member of a card association，for example MasterCard（万事达卡）and/or Visa（维萨卡），which maintains merchant relationships and receives all bankcard transactions from the merchant.

Obtaining an IMA from an acquirer may be quicker and easier if you already have "offline" card-processing facilities set up. In this case，just ask your acquirer for an additional IMA ID for use exclusively with Internet transactions. This process is normally quick，especially if the risk to your business does not change.

To help protect merchants and cardholders from fraud，the card schemes have developed a service that allows cardholders to authenticate themselves when shopping online.

1.3　Payment Service Providers（PSPs）[①]

A PSP will provide you with a "virtual" till or terminal that collects card details over the Internet and passes them to the acquiring bank. To take electronic payments over the web，you will need a PSP.

Your choice of PSP will depend on its cost and compatibility with your chosen e-commerce software solution. A fixed monthly fee starts at around ￡10，but there are some cheaper options available，starting as low as 5 pence per transaction. Usually，the higher your transaction volume the lower the rate you will be charged.

Some acquiring banks offer PSP services as part of their product and there are other less expensive options available.

2　Payment Card Industry Data Security Standard Compliance

The Payment Card Industry Data Security Standard（PCI DSS）is a worldwide security standard developed by the Payment Card Industry（PCI）[②] Security Standards Council to protect cardholder information，such as credit and debit card numbers and cardholders' personal details. It includes requirements for security management，network architecture，software design，security policies and procedures，and other protection of customer account data. The standard is applicable to any organisation that stores，transmits or processes cardholder information；be they a merchant，third-party processor or acquirer.

PCI DSS is a set of 6 principles that encompass 12 specific requirements. These

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① A payment service provider（PSP）offers merchants online services for accepting electronic payments by a variety of payment methods including credit card，bank-based payments such as direct debit（直接借记），bank transfer（银行转账），and real-time bank transfer based on online banking. Some PSPs provide unique services to process other next generation methods including cash payments，wallets such as PayPal，prepaid cards or vouchers（凭证，凭单），and even paper or e-check processing.

② The payment card industry（PCI）denotes the debit，credit，prepaid，e-purse（电子钱包），ATM，and POS cards and associated businesses.

The term is sometimes more specifically used to refer to the Payment Card Industry Security Standards Council，an independent council originally formed by American Express，Discover Financial Services，JCB，MasterCard Worldwide and Visa International on Sept. 7，2006，with the goal of managing the ongoing evolution of the Payment Card Industry Data Security Standard.

requirements are equally applicable to any organisation holding personal information and are intended to reduce the organisation's risk of a data breach.

Principle 1：Build and maintain a secure network.

- install and maintain a firewall configuration to protect your cardholders' data.
- do not use vendor defaults for system passwords or other security actions.

Principle 2：Protect your cardholder data.

- protect any stored cardholder data.
- encrypt transmission of your cardholders' data across open，public networks.

Principle 3：Keep a vulnerability management plan.

- always use and regularly update your anti-virus software.
- develop and maintain secure systems and applications.

Principle 4：Implement strong access control practices.

- limit access to cardholder data to only those who need to know.
- give every person with computer access a unique ID.
- limit physical access to cardholder data.

Principle 5：Monitor and test your networks on a regular basis.

- track and monitor all access to your network resources and cardholder data.
- regularly test security systems and procedures

Principle 6：Keep an information security policy.

Always keep a policy that addresses your information security.

The PCI Security Standard Council encourages businesses that store payment data to comply with PCI DSS and become certified to help reduce financial risks from data compromises. However，it is the payment card schemes that manage the actual compliance programme. In practical terms this means the programme is managed by acquirers and you should check with your bank to seek advice on your specific compliance obligations and how your business can become certified.

Failure to be annually certified can become an issue if you have a security breach and your customers' card details are stolen，in which case penalties levied by the card schemes and costs can be heavy depending on the number of cards compromised. Even where a merchant is certified this does not protect them from potential penalties if it is deemed that their own actions through negligence，omission or accident contributed to a breach.

3　Selecting the Best Online Payment Option

You can use the following scenarios to help you choose the best option for your business.

3.1　Internet Merchant Account（IMA）

Your business already accepts debit and credit card payments for face-to-face

transactions. You expect a fairly high number of online transactions，most of which will be simple and low risk. You need the greatest amount of flexibility in operating your business and cashflow is very important. If this sounds like your business，then you should：

- apply directly for an IMA and discuss your requirements with the acquiring bank.
- find the information on setting up an Internet merchant account.

3.2　Payment-processing company

Your business will not have a large number of online transactions and you do not currently accept debit or credit card transactions so do not have an IMA. You have not been trading long and cannot provide a well-documented operations history.

You value the ability to attract online sales more highly than the ability to collect sales income quickly. Your business will need some flexibility in the way in which it designs and operates its website，so you should：

- consider the facilities that a payment-processing company could offer，with the possibility of moving to a less costly option later.
- find the information on using a payment-processing company.

3.3　Online shopping mall

Your business is small，you do not currently offer debit or credit card sales and you have very limited IT skills. Your products are fairly standardised and easily understood. You do not think that your website needs any unusual features. You are prepared to pay higher transaction and fixed costs just to establish a web presence. If this applies to your business，you should：

- look at the facilities that an online shopping mall could offer.
- find the information on selling through an online shopping mall.

New Words

expect	[ɪkˈspekt]	vt. 期待,预期,盼望,指望
significantly	[sɪgˈnɪfɪkəntli]	adv. 重要地,有意义地
cheque	[tʃek]	n. 支票
traditional	[trəˈdɪʃənl]	adj. 传统的,惯例的
speedy	[ˈspiːdi]	adj. 快的,迅速的
swipe	[swaɪp]	vt. 刷(磁卡);偷盗,扒窃
jargon	[ˈdʒɑːgən]	n. 行话
acquirer	[əˈkwaɪərə]	n. 发卡行,收单银行
offline	[ˌɒfˈlaɪn]	adj. 未联机的,脱机的,离线的
exclusively	[ɪkˈskluːsɪvli]	adv. 排外地,专有地
protect	[prəˈtekt]	vt. 保护

merchant	[ˈmɜːtʃnt]	n. 商人，批发商，贸易商，店主
		adj. 商业的，商人的
cardholder	[ˈkɑːdhəʊldə]	n. 持有信用卡的人，持有正式成员证的人，持卡人
virtual	[ˈvɜːtʃuəl]	adj. 虚拟的，实质的
volume	[ˈvɒljuːm]	n. 量
expensive	[ɪkˈspensɪv]	adj. 花费的，昂贵的
procedure	[prəˈsiːdʒə]	n. 程序，步骤，流程，手续
transmit	[trænzˈmɪt]	vt. 传输，转送
encompass	[ɪnˈkʌmpəs]	v. 包围，环绕
requirement	[rɪˈkwaɪəmənt]	n. 需求，要求，必要条件
breach	[briːtʃ]	n. 违背，破坏，破裂，裂口
		vt. 打破，突破
password	[ˈpɑːswɜːd]	n. 密码，口令
vulnerability	[ˌvʌlnərəˈbɪləti]	n. 弱点，攻击
unique	[juˈniːk]	adj. 唯一的，独特的
regular	[ˈregjələ]	adj. 规则的，有秩序的，经常的
encourage	[ɪnˈkʌrɪdʒ]	v. 鼓励
compromise	[ˈkɒmprəmaɪz]	v. 危及…的安全
scheme	[skiːm]	n. 安排，配置，计划，方案
		v. 计划，设计
compliance	[kəmˈplaɪəns]	n. 依从，顺从
obligation	[ˌɒblɪˈgeɪʃn]	n. 义务，职责
annually	[ˈænjuəli]	adv. 一年一次，每年
penalty	[ˈpenəlti]	n. 处罚，罚款
negligence	[ˈneglɪdʒəns]	n. 疏忽
omission	[əˈmɪʃn]	n. 冗长
accident	[ˈæksɪdənt]	n. 意外事件，事故
flexibility	[ˌfleksəˈbɪləti]	n. 灵活性，弹性，适应性
discuss	[ˌfleksəˈbɪləti]	vt. 讨论，论述
attract	[əˈtrækt]	vt. 吸引
		vi. 有吸引力，引起注意
income	[ˈɪnkʌm]	n. 收入，收益，进款，所得
skill	[skɪl]	n. 技能，技巧
establish	[ɪˈstæblɪʃ]	vt. 建立，设立，安置
presence	[ˈprezns]	n. 到场，存在

Phrases

| online payment | 在线支付 |

swiped card transaction	刷卡交易
high street	大街,主要街道
financial institution	金融机构
Internet Merchant Account (IMA)	因特网商家账号
apply for	请求,申请
acquiring bank	收单银行
monthly fee	月费
Payment Card Industry (PCI)	支付卡行业
Data Security Standard (DSS)	数据安全标准
network architecture	网络结构,网络体系
financial risk	财务风险
in practical terms	实际上
face-to-face transaction	面对面交易
online shopping mall	在线购物中心,网上购物商城

Exercises

【Ex1】 **Answer the following questions according to the text.**

1. Why are most sales paid for with credit and debit cards?

2. What does an acquirer do?

3. What have the card schemes done to help protect merchants and cardholders from fraud?

4. What is PCI DSS?

5. How many specific requirements do the PCI DSS principles have? What are they intended to do?

6. What does the PCI Security Standard Council encourage businesses that store payment data to do?

7. What manages the actual compliance programme?

8. When can failure to be annually certified become an issue?

9. What will happen if your customers' card details are stolen?

10. Which is the best online payment option offered in the passage for your business?

【Ex2】 **Translate the following terms or phrases from English into Chinese or vice versa.**

1. acquiring bank   1. _____

2. swiped card transaction   2. _____

3. online payment   3. _____

4. online shopping mall   4. _____

5. financial risk   5. _____

6. *n.* 发卡行,收单银行   6. _____

7. *n.* 支票　　　　　　　　　　7. _____

8. *vt.* 建立,设立,安置　　　　8. _____

9. *n.* 灵活性,弹性,适应性　　　9. _____

10. *n.* 安排,配置,计划,方案　　10. _____

【Ex3】 **Fill in the blanks with the words given below.**

accurate	structure	simplified	form	software
prompted	abandon	unauthorized	fail	page

Digital Wallets

A client side digital wallet requires minimal setup and is relatively easy to use. Once the ___1___ is installed，the user begins by entering all the pertinent information. The digital wallet is now setup. At the purchase/check-out ___2___ of an e-commerce site，the digital wallet software has the ability to automatically enter the user information in the online ___3___. By default，most digital wallets prompt when the software recognizes a form in which it can fill out，if you chose to automatically fill out the form，you will be ___4___ for a password. This keeps ___5___ users from viewing personal information stored on a particular computer.

Digital wallets are designed to be ___6___ when transferring data to retail checkout forms；however，if a particular e-commerce site has a peculiar checkout system，the digital wallet may ___7___ to recognize the forms fields properly. This problem has been eliminated by sites and wallet software that use ECML technology. Electronic Commerce Modeling Language is a protocol that dictates how online retailers ___8___ structure and setup their checkout forms. Participating e-commerce vendors who incorporate both digital wallet technology and ECML include：Microsoft，Discover，IBM，Omaha Steaks and Dell Computers.

Upwards of 25% of online shoppers ___9___ their order due to frustration in filling in forms. The digital wallet combats this problem by giving users the option to transfer their information securely and accurately. This ___10___ approach to completing transactions results in better usability and ultimately more utility for the customer.

【Ex4】 **Translate the following passage from English into Chinese.**

Digital Wallet

A digital wallet allows users to make electronic commerce transactions quickly and securely.

A digital wallet functions much like a physical wallet. The digital wallet was first conceived as a method of storing various forms of electronic money（e-cash），but with

little popularity of such e-cash services，the digital wallet has evolved into a service that provides Internet users with a convenient way to store and use online shopping information.

A digital wallet has both a software and information component. The software provides security and encryption for the personal information and for the actual transaction. Typically，digital wallets are stored on the client side and are easily self-maintained and fully compatible with most e-commerce Web sites. A server-side digital wallet，also known as a thin wallet，is one that an organization creates for and about you and maintains on its servers. Server-side digital wallets are gaining popularity among major retailers due to the security，efficiency，and added utility it provides to the end-user，which increases their enjoyment of their overall purchase.

Text B

Mobile Payment

1　What Is Mobile Payment？

Mobile payment includes any transactions taking place through a mobile device. This includes things like mobile money transfers and digital wallets. You can use mobile payment technology for peer-to-peer payments as well as to pay for goods and services.

Rather than paying for your items with credit cards or cash，a mobile payment allows you to complete the transaction completely from your mobile phone. Some mobile payments use third-party apps like Venmo and PayPal，while others use a digital wallet stored on your phone. Using a mobile wallet app，you can store your banking details directly to your device.

2　Reasons to Use Mobile Payment

Mobile payment offers significant advantages over other payment methods currently available.

2.1　Secure

Security is one of the significant advantages of mobile payments，mainly when used with NFC technology. In fact，when combined with other security features already present in mobile phones，NFC offers a significant improvement over EMV.

One key aspect that makes NFC payment so attractive is tokenization. This is an encryption method that scrambles the credit card information data while being transmitted and stored. Your bank does this with a unique process and then sends it to your Apple Pay wallet for storage.

If hackers were to steal this data，all they would get is useless，meaningless

gibberish. This data is also dynamic，which makes it impossible for thieves to try and decipher it.

Most mobile wallets also have layers of security to ensure that you're the one who's making a transaction. For example，Apple Pay requires that you provide your fingerprint scan using Touch ID whenever you make payments. Since it's impossible to replicate your fingerprint，thieves can't access your mobile wallet even if they steal your mobile phone.

Then there's the fact that using NFC contactless payment requires that you're physically present to make the transaction. Compared to paying over the Internet，this is a much more secure method.

2.2 Fast

Speed is the best feature of mobile payment. NFC allows you to easily tap and pay in fractions of a second. In retail stores or restaurants where there's a large volume of transactions，this is especially handy in speeding up your turnover，therefore increasing your sales.

2.3 Convenient

Using mobile payment is not just convenient for you as a business，but also for your customers.

Mobile payment doesn't require people to bring loads of cash when going out，which in itself can be a security issue. And for people who have multiple credit cards，mobile wallets provide a convenient way to consolidate them into one payment system.

Most people nowadays already have their phones at their side at all times，so mobile payment becomes an essential payment method that's available 24/7. They also don't need to buy any additional devices. As long as they have smartphones，mobile payment is built into them.

3 The Most Effective Ways to Improve Mobile Payment Experience

3.1 Provide As Many Payment Options as Possible

When it comes to e-commerce，customers usually have a very wide range of payment preferences. If your business doesn't support their preferred option of mobile payment，there's a good chance you could lose the sale altogether.

This is due to a few factors，including customers' increasing focus on privacy and security as well as a simple desire to have to sign in to as few websites as possible. Anyway，the easier you make it for your customer to pay you，the more sales you'll get.

As a result，ensuring your website is compatible with as many payment options as possible is crucial. Some of the most important payment options to include on your site are：

- Credit cards.
- Debit cards.

- PayPal.
- Apple Pay，Google Pay and Samsung Pay.
- Venmo，Stripe and other online payment platforms.

The payment landscape of China is unique and heavily dominated by mobile payment options. The top three mobile wallets are Alipay，WeChat Pay，and China UnionPay.

3.2　Don't Force Customers to Create an Account Before Paying

Encouraging your customers to create an account on your e-commerce site is indeed a great way to promote sales and collect their information. On the other hand，forcing first-time customers who may not have full trust in your brand to create an account can scare many new buyers away.

Customers prefer to only create accounts with brands they have experience with. Forcing first-time customers to create an account will not only make the customers remember another username and password，but also receive excessive marketing emails.

Allowing guest checkout is a great way to ensure your customers can make purchases as easily as possible.

3.3　Make the Checkout Design Seamless

According to Baymard，the main reason that consumers abandon a cart is due to checkout design and flow. Whether it's due to overall confusion，too many fields or long loading times，checkout design has a huge impact on conversion rates.

Since many customers make impulse buys，the more streamlined the checkout process is，the better. If possible，reduce the number of checkout steps and keep form fields to a minimum.

Checkout page design also has a significant impact on customers' likelihood to complete their purchase. Create a smooth transition from cart to checkout by using similar design elements like fonts，colors and images. Place important information where it's easily visible and guide your customer through checkout with prominent buttons and order summaries.

3.4　Provide Security and Privacy Assurances

Consumers are more concerned than ever about the privacy and security of their information. Since checkout pages handle sensitive information like credit card numbers，they're especially sensitive to perceived security violations in this area.

Improving the perceived security of your checkout page is one of the most important things you can do to drive more conversions. In addition to improving the security of your payment processing software，you can also make design choices that improve the perceived security of certain parts of a page，especially the credit card fields.

3.5　Use Clear Calls to Action（CTAs）

No matter how high your website traffic is，your revenue will stay low if your