

An Empirical Study on the Choice Factors of Third-Party Payment Means under Internet Finance

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Abstract: With the continuous development of third-party payment transactions, it is of great significance to do a good job in the management of payment funds. Based on this, the author carries out empirical research on the factors that influence the choice of third-party payment means under Internet finance. The third-party mobile payment risk assessment model is empirically analyzed, and based on this, relevant policy recommendations are given. According to relevant research results, with the continuous development of Internet finance, enterprises and individuals are provided with more convenient and fast payment methods. As an important part of Internet finance, third-party payment has played an increasingly important role in market transactions and financial services.

1. Introduction

In 2013, a new financial force gradually changed the traditional financial industry. This new force is the result of traditional financial integration of the Internet's spirit of "openness, equality, collaboration, and sharing" [1]. That is to say, Internet finance, as a new thing that conforms to the trend, is developing at an unprecedented speed [2]. The emergence of third-party payment platforms has greatly improved the shortcomings of traditional payment models, and more importantly, it has enabled the interests of both parties to be effectively protected, thus reducing transaction risk [3]. As the core of China's Internet finance development, third-party mobile payment has become the mainstream payment mode for e-commerce transaction scenarios [4]. Among them, third-party payment has become a bridge connecting various innovations of Internet finance and one of the "sources" of Internet finance by means of its own innovative payment tools, massive transaction information and cross-industry and cross-market operation. Risk prevention of third-party payment enterprises is related to the security and stability of the Internet financial system [5]. At present, China's accounting standards are mainly designed for the traditional retail model. There is no clear uniform explanation for the accounting treatment of third-party payment platform under the Internet financial environment. As a result, there are different accounting treatment methods and lack of comparability of accounting information among enterprises [6]. Therefore, how to analyze and evaluate the risk and take control measures to minimize the risk is particularly important.

In the past, the traditional payment mode is not only limited by time and space, but also has the characteristics of low payment efficiency and high payment risk. Third-party payment has so many advantages, mainly because third-party payment as an intermediate platform between buyers and sellers can play a good role in supervision and inspection of both sides of the transaction [7]. So as to realize the fairness, fairness and openness of the transaction. As an important part of Internet finance, third-party payment plays an increasingly important role in virtual market transactions, financial services and other fields, and with the increasing pace of people's lives on the Internet, its transaction scale is also growing rapidly [8]. If 2013 is the first year of Internet finance in China, then Internet finance may erupt in 2014. In the past, most of the research results have been studied from the aspects of Internet finance or third-party payment, and third-party payment has not been considered in the financial field [9]. The research direction is mainly the law and its regulatory aspects. The risks of third-party payment in the process of internet financial application are rarely considered, and the risk problems in the transaction remain unresolved. Therefore, to study Internet finance, it is necessary to first analyze third-party payment [10]. Therefore, although the third-party

payment market is showing great vitality, its rapid development also faces many difficulties, and the future is full of unknowns. How to effectively solve the dilemma faced by third-party payment and maintain the healthy and sustainable development of the industry deserve our deep thought.

2. Third-party Payment and Risk Theory Analysis of Internet Finance

2.1. Components of internet finance

As an important part of Internet finance, third-party payment is no longer a simple payment and settlement tool, but a combination of technology and finance through the Internet and mobile communications. If big data and cloud computing are the "source" of technology to promote the development of Internet finance, then third-party payment has been firmly at the core of the Internet financial form and has become one of the "sources" of Internet finance development. China follows the globalization rhythm of the information age. In the last 10 years of reform and opening up in the past 30 years, it has made its economic development leap to the forefront of the world by joining the World Trade Organization and actively integrating into the global Internet. In the product and service, we will continue to introduce new and important service providers, and theoretical research on them will help us to correctly understand third-party payment. However, with the continuous development of third-party payment platform, the amount of third-party payment funds is more huge, so it is of great practical significance to do a good job in fund management. Although there are still many disputes about the classification of Internet finance mode. However, whether it is the payment function itself, the distribution channels of Internet financial products, the financing services based on Internet or virtual currency, it is inseparable from the support and promotion of third-party payment. China has come to the forefront of the world in the field of information and communication production and consumption, and has become a global trend maker. China has become the largest importer and exporter of information and communication technology products in the world.

Throughout the online transaction process, third-party payment as an interface platform can be compatible with many banks. This model is mainly represented by First Letter Easy Payment and Linxun Payment. The general transaction process is shown in Table 1 below.

Table 1 Transaction flow under payment channel mode

Step	Content
1	Buyer chooses goods and orders on seller's website
2	Select the third party payment organization, select the bank to pay after entering the platform and enter the payment interface of the bank.
3	The third-party payment institution passes the buyer's payment request to the bank, which checks the buyer's account information and transfers the related payment according to its payment ability, and transmits the payment result back to the buyer and the third-party payment institution.
4	Third-party Payment institutions then transmit payment information to the seller, who provides the corresponding goods or services after knowing that payment has been received.

2.2. Application of internet technology in the context of modernization

Under the background of the great development of modernization, informationization and science and technology, Internet technology and electronic commerce have been widely used in the social and economic fields, and play an important role. With the emergence of third-party payment platform, enterprises have more channels to recover funds. All parties are interwoven and interoperable, thus facing more infectious, more externalities and more complex sources of risk challenges. The former products sold through third-party payment are mainly financial products. The sales principles can be roughly divided into "stock realisation" and "flow realisation". Traditional financial industry is also in the wave of financial innovation, gradually extending

financial business to the network. This not only greatly improves the time and cost of financial transactions, but also expands the boundaries of financial services and markets on the basis of traditional financial services. In the past, when companies used to recover funds, the recycling method often used was to collect money from the business hall, or to entrust the bank to collect money. It is extremely urgent to properly evaluate these risks and control them within the scope of safety. The key is to design a scientific and effective third-party mobile payment risk assessment indicator system. "Stock Realization" is represented by Alipay's "Yuebao", which is intended to attract Alipay's deposit funds to the money fund by utilizing China's relatively high money market income. Thereby reducing the payment platform payment amount and alleviating the pressure of paid-in capital.

3. The Risks Faced by China's Third-party Payment Model

The payment platform system needs to obtain the identity information of the customer during the transaction process, such as the ID number, mobile phone number, bank card number, and the like. However, the protection of customer information is significantly lower than the bank's regulatory system, so there is a risk of exposing customer information. Some estimate the return rate based on past experience, and it is estimated that part of the confirmed revenue will not be returned when the product is issued. It is estimated that the part of the return that may occur is recorded in the "expected liability", and then the accounting treatment will be carried out according to the actual situation. However, risks are ubiquitous, and third-party payments are no exception, and there are risks at many levels. Especially in recent years, more and more third-party payment enterprises participate in the financial business as "non-financial institutions", which deepens people's concern about the expansion of their risks, and their risks are complex, diverse and intertwined. At the same time, through the third-party payment platform, the recovery of enterprise funds can be carried out horizontally and vertically, and sometimes cross-level recovery can be achieved. The interconnection between mobile terminals and open network environment is the basis of the key links of the third-party mobile payment transaction mode. A typical third-party mobile payment transaction process begins with the acquisition of transaction information by mobile intelligent terminals through user identity authentication. Transaction data are then transmitted to third-party mobile payment platforms and associated bank payment systems via mobile network operators in real time.

Credit risk is also known as default risk. In the third-party mobile payment market, the uncertainty of future losses is caused by the failure of mobile payment transaction subjects to fulfill their obligations on time. From the most basic settlement of network transactions, third-party payment derives higher-level payment services such as credit payment, cross-border payment, public utility payment, transfer and remittance. The operation of the payment platform depends on software trading system and network communication technology. For each third-party payment account, it can help customers to open a reminder function of changes in funds, so that once the third-party payment account flows, it can be timely known by the parties. Common third-party mobile payment credit risk-prone entities include buyers, sellers, third-party mobile payment platform service providers and banks. Netcom Credit Co., Ltd. became the first Internet company to obtain a credit information license, mainly engaged in collecting, sorting and analyzing Internet big data originating from third-party payment platforms and forming a credit report. With the continuous development of information technology in recent years, the online banking system of banks and UnionPay has been continuously updated and maintained, and the system of third-party payment companies has maintained a high degree of security because of its early establishment. As a result, the system stability and efficiency of the entire third-party payment industry has been continuously improved.

4. Conclusions

Through the analysis of the third-party payment risk, we can see that the development of

third-party payment is still immature, and there are many complicated risks in the operation process. Such as policy and regulatory risks, financial risks, market risks, credit risks, technical and operational risks. This requires enterprises to master this development trend, strengthen the construction of third-party payment platforms and the management of payment funds. Thereby reducing the comprehensive cost of the enterprise, improving the efficiency of capital use of the enterprise, and ultimately promoting the better development of the enterprise. Business risk is highlighted by market risk, and the threat of depositing funds is high. Virtual currency has not shown sufficient influence due to time constraints. Generally speaking, the development of virtual money in China is still in its infancy, and it can give some free space for development. However, the relevant departments should intensify their research, monitor and participate in it moderately to promote its healthy development. Compared with the traditional transaction mode, the third-party payment institution effectively guarantees the transaction integrity, commodity quality, return and exchange of goods and other difficult problems. By providing credit guarantee for buyers and sellers, the whole transaction can be carried out safely and quickly through the Internet. In a word, third-party payment improves the utilization rate of funds, saves time and cost of both sides of the transaction, so it will have a broader application prospect in the future.

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