

MODULE 6 – ONLINE PAYMENTS

UNIT 6.1

Benefits of online payments

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| <p>LESSON INTRO</p> | <p>Online payments have become increasingly popular for transferring funds and making purchases in today's digital age. They offer a secure and efficient alternative to cash or checks, especially with the rise of e-commerce and online shopping.</p> <p>This method involves using electronic funds transfer through secure online platforms to pay for goods and services. One major advantage is convenience. With just a few clicks, individuals can shop from home or on-the-go, avoiding the need to visit physical stores or carry cash. Plus, online payments are available 24/7, offering flexibility beyond traditional banking hours.</p> <p>Security is another key benefit. Many online payment platforms use encryption and other security measures to protect sensitive financial information, reducing the risk of fraud or identity theft. This assurance gives consumers peace of mind when making online purchases.</p> |
| <p>PREVIOUS ASSIGNMENT(s) CHECK</p> | <p>Each learner will present the 3 lessons learned from previous class. The teacher will take note of them and together with the class the most frequently recurring will be highlighted as best practices and shared with the whole class in written form.</p> |
| <p>INTRODUCTION TO THE TOPIC</p> | |

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| | <p>To stay safe, individuals must be cautious of unsolicited offers or requests for personal information. Verify the legitimacy of any organization or individual before sharing sensitive details or making transactions. Never disclose personal information over the phone or email unless certain of the recipient's identity. Staying informed and vigilant is key to protecting hard-earned money from fraudsters.</p> <p>Financial scams deceive individuals into giving away money or personal information. Common types include phishing, where scammers impersonate legitimate organizations to steal personal data, and investment fraud, promising unrealistically high returns. Identity theft involves stealing personal information for fraudulent activities. Verify the legitimacy of organizations and individuals, monitor financial accounts regularly, and report suspicious activity promptly. Staying informed and vigilant is crucial to safeguarding against financial scams.</p> |
| <p>GENERAL THEORY</p> | <p>Online payments have transformed how transactions are conducted, offering numerous advantages to users. One of the key benefits is convenience. Users can make transactions from anywhere using their smartphones or laptops, avoiding the need to visit a physical bank or store. This saves time and effort.</p> <p>Additionally, online payments offer unmatched convenience compared to traditional methods. Users can set up recurring payments for bills or subscriptions, eliminating the need to remember due dates or make manual payments each month. Payment platforms also offer features like payment reminders and</p> |

automatic options, further streamlining the process and helping users stay organized.

Overall, the convenience of online payments makes them an attractive option. With the ability to make payments anytime, anywhere, and manage recurring payments easily, they outshine traditional methods. As technology advances, online payments are expected to become even more user-friendly, cementing their place as the preferred choice for consumers worldwide.

Regarding security, online payment systems have advanced measures to protect sensitive information. Encryption technology secures data transmissions, and two-factor authentication verifies users' identities, minimizing fraud risks. Despite these safeguards, users should still take precautions like using strong passwords, avoiding public Wi-Fi for transactions, and monitoring accounts regularly to prevent cyber threats.

Online payments offer several benefits to consumers, including convenience, flexibility, and security. Making payments online is convenient as customers can do it anytime and anywhere with an internet connection, eliminating the need to visit a physical store or bank. Additionally, online payments provide flexibility by offering various payment options like credit cards, debit cards, and digital wallets.

To ensure safe online payment practices, consumers should follow some tips. Firstly, only make payments on secure websites. Look for the padlock symbol in the browser's address bar and ensure the website's URL starts with "https" for a secure connection. Use strong and unique passwords for each online account to prevent unauthorized access. Regularly monitor bank statements and credit card transactions to detect any unusual activity early on.

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| | <p>Consumers should also be cautious when sharing personal and financial information online. Avoid entering sensitive information like social security numbers or credit card details on unsecured websites or through unencrypted connections. Use reputable payment processors and avoid clicking on suspicious links or emails to prevent falling victim to phishing scams. Following these safe online payment practices helps consumers enjoy the benefits of online payments while minimizing associated risks.</p> |
| <p>REGIONAL THEORY</p> | <p>Research conducted by 'il Sole 24 Ore' in Maggio 2022 analysed the relationship between seniors and online payments in Italy. Here's a summary of it, catering for some important data.</p> <p>What is the relationship between seniors (over 60) and the world of e-commerce? More than one in two (51.1%) makes online purchases. This is not an occasional circumstance, but rather a well-established habit in their purchasing methods, as in almost one in three cases (28.8%), purchases often or even always occur online, and there is another 46.6% that makes them at least 4-5 times a year; only for a minority (24.7%) is it an event that rarely happens. 36.1% say they made an online purchase in the last month. More than one in four (25.8%) spends a significant amount (more than 300 euros) on online purchases in a year, while for another 37.1%, spending amounts to between 100 and 300 euros. The vast majority of them are satisfied: "very" in 20.5% of cases, and "quite" in 67.1%. Among the main reasons that lead to opting for online purchases are the convenience of purchase and home delivery (44.6%), economic convenience (22.3%), greater choice and availability of products (16.9%), while only a minimal percentage (2%) was motivated by the fear of going out due to Covid, a sign that online shopping is now a well-established</p> |

method that is part of their daily life regardless of emergency circumstances.

What do seniors buy online? Among the favorite categories for online purchases are certainly health and pharmaceutical products (14.9%), cosmetics and products for hygiene and body care (9.5%), and then electronics and small appliances (16.7%), articles for the home, garden, DIY (10.4%), clothing (7.7%). Almost one in ten (9.2%) declares to buy pet food online, and even more often (14.3%) products for the care and well-being of animals, further confirming that pets play a special role in their daily lives. Among the payment options, the most frequent is the prepaid card (38.3%); followed by credit card (27.7%), cash on delivery (12.8%), PayPal (11.7%), bank transfer (9.6%). Although the vast majority has never had any particular problems with these purchases, some have occasionally encountered undefined or excessively long delivery times (10.3%), defective or damaged goods (6.4%), delivery errors (5.1%).

The choice of websites: As for the choice of websites to make purchases, they first orient themselves towards those of well-known brands or those that inspire trust (19.9%), sites with home delivery (19.1%), those that have specific products of their interest (16.9%), those recommended by friends or relatives (13.2%). Among those who do not usually make online purchases, the main reason is the possibility of delegating them to children, relatives, or friends who make them for them (27%); only to a minimal extent is the motivation linked to a rootedness towards traditional purchasing methods, such as the preference to "touch" what they buy (21.3%) or the fact of not having a computer/smartphone (11.5%), a sign that even seniors are culturally oriented towards e-commerce and the digital gap compared to younger generations is increasingly reduced. Finally, what could encourage them in these

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| | <p>purchases? Important is free home delivery (25.3%), the presence of a telephone assistance number (17.6%), free returns (15.3%), greater information on online security (15.3%).</p> |
| <p>EXAMPLES (BOTH REGIONAL AND NON-SPECIFIC)</p> | <ol style="list-style-type: none"> 1. Grocery Shopping: Seniors can use online platforms offered by supermarkets or grocery delivery services to purchase their groceries without needing to visit the store physically. They can conveniently browse through various products, select what they need, and have them delivered to their doorstep. However, they must be cautious when entering their credit card details to ensure they're using a secure website and not disclosing sensitive information on unsecured platforms. 2. Utility Bill Payments: Seniors can use online banking or utility provider websites to pay their bills from the comfort of their homes. Instead of queuing at a bank or post office, they can simply log in to their account, enter the necessary payment details, and submit the transaction. While this method saves time and effort, seniors should double-check the website's security features and ensure they're using trusted payment methods to protect their financial data from potential fraudsters. 3. Online Shopping for Gifts: Seniors can conveniently purchase gifts for their loved ones from online stores, especially during special occasions like birthdays or holidays. They can explore a wide range of products, compare prices, and have the gifts delivered directly to the recipient's address. However, seniors should exercise caution by only shopping from reputable websites and avoiding sharing sensitive information, such as their credit card details, on unfamiliar or |

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| | <p>suspicious platforms to prevent falling victim to scams or identity theft.</p> |
| <p>HANDS ON EXPERIENCE</p> | <p>What is one of the main benefits of online?</p> <ol style="list-style-type: none"> Limited payment options Increased risk of fraud Convenience and flexibility Lack of security measures <p>Which of the following is a secure way to make online payments?</p> <ol style="list-style-type: none"> Sharing credit card details over unsecured websites Using a prepaid card with a PIN number Disclosing passwords to unfamiliar websites Providing personal information via email <p>What should you be cautious of when entering their financial data online?</p> <ol style="list-style-type: none"> Using strong and unique passwords Sharing sensitive information on secure websites Avoiding online shopping altogether Entering credit card details on unsecured platforms <p>Which of the following is a common reason why seniors might opt for online payments?</p> <ol style="list-style-type: none"> Limited product selection Inconvenient payment options Fear of cyber scams Convenience of home delivery <p>How can seniors ensure the safety of their online payments?</p> <ol style="list-style-type: none"> Providing personal information to unknown callers Using public Wi-Fi for transactions Using secure websites with HTTPS protocol Sharing passwords with family members <p><i>Correct answers:</i></p> <p>1 – C 2 – B 3 – D</p> |

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| | <p>4 - D 5 - C</p> |
| <p>DISCUSSION</p> | <p>How can older adults balance the convenience of online payments with the need to protect their financial security? What strategies or practices can they adopt to ensure safe online transactions?</p> <p>In what ways do online payment methods impact the traditional shopping habits of older adults? How can seniors adapt to the increasing prevalence of e-commerce while still maintaining their comfort and security in financial transactions?</p> |
| <p>FEEDBACK AND ASSIGNMENT</p> | <p>Case Studies and Role-Playing: Assign each participant a hypothetical scenario involving online payments, such as purchasing groceries online or paying utility bills electronically. Ask them to research and analyze the potential risks and benefits associated with the scenario.</p> <p>Explain that on the following class, you will conduct a role-playing exercise where participants take on different roles, such as a senior consumer, a customer service representative, and a fraudster.</p> |