Case Study: G-Cash Expansion in the Philippine Digital Economy

In recent years, the Philippines has experienced rapid growth in the adoption of **electronic payment systems (EPS)**, particularly through platforms such as **GCash, Maya, and online banking apps**. These platforms allow users to perform transactions like **peer-to-peer transfers, bills payment, online shopping, and QR code-based in-store purchases**.

The **digital payment mechanism** relies on secure authentication methods such as **two-factor authentication (2FA), PIN codes, and biometric verification**. However, several **basic requirements** must be met for a successful payment transaction: reliability of internet connection, availability of digital infrastructure, trust in the system, and compliance with **Bangko Sentral ng Pilipinas (BSP)** regulations.

Payment transactions in the digital economy can be classified into **cash-like transactions (peer-to-peer), credit-based transactions (buy now, pay later), and debit-based transactions (direct bank deductions)**. These are supported by different **electronic payment systems**, including mobile wallets, internet banking, and card-based transactions.

Despite the benefits, **e-commerce security incidents** remain a major concern. Cases of **phishing attacks, identity theft, fake online sellers, and system outages** pose risks to both consumers and businesses. Strengthening security measures and educating users on **safe online practices** are vital for ensuring transaction trustworthiness.

Case Study Analysis Questions:

1. **Introduction to EPS**
   - Based on the case, how do platforms like GCash and Maya demonstrate the essential features of an electronic payment system in the Philippine setting?
2. **Digital Payment Mechanism & Requirements**
   - What are the basic requirements for a secure and reliable digital payment mechanism, and how do weaknesses in these requirements (e.g., poor internet connectivity) affect customer trust?
3. **Classification of Transactions**
   - Using the examples in the case, classify the types of payment transactions (cash-like, credit-based, debit-based). Why is this classification important for both regulators and businesses?
4. **Electronic Payment Systems**
   - Compare mobile wallets (GCash, Maya) with traditional banking apps. What advantages and disadvantages do each have in supporting electronic payment systems?
5. **E-Commerce Security**

- Identify at least two security incidents that could occur in the Philippine e-commerce environment. What preventive measures should both users and providers implement to minimize these risks?