

# Effective Usage of ISO 8583 Messaging System in Payment Gateway and Order Fulfillment System on Online Shopping/E-Commerce Applications

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**Abstract:***E-commerce has allowed retailers to establish a market presence, to enhance an existing market position by providing a cheaper and more efficient distribution chain for their products or services. Top most ecommerce firms in Indian like FlipKart, Snapdeal, Amazon etc have created a new sales channel over web for small, medium and large vendors to promote and sell their products starting from daily use to digital. Due to growing popularity of online shopping, most of the large e-commerce firms are facing challenges to communicate with payment gateway as well as with order fulfillment systems, especially during festive seasons . Now-a-days, popular online shopping/e-commerce sites tie up with third party payment gateway, order fulfillment service provider to deliver/ship the purchased product to end customer. Credit cards, gift cards and placed order information are digitally transmitted from the online shopping store to their tie up third party vendor instantly. Due to low latency of data transmission over http through Web services (SOAP/REST) to third party vendor systems, end user and order fulfiller are facing huge performance issues. In this paper, I have addressed the above mentioned bottleneck in e-commerce applications by effectively using the ISO 8583 messaging system. In nutshell, we can nearly replicate the ATM communication behavior in online shopping portals/e-commerce applications using ISO 8583 messaging system to exchange data among various third party vendor system to enhance the performance.*

**Keywords:** -NA-