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DEVELOPMENT OF CASHBACK SERVICES IN E-COMMERCE

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Shopping on the Internet has become an integral part of our reality - for many it is easier, faster, and the choice is many times greater. In addition, by purchasing goods online, you can significantly save money. But there is another, permanent and stable way to save money - cashbacks. Therefore, the topic of cash back services is very actual nowadays.

The history of cashback began in 1891, when the American company Green Shield came up with an unexpected advertising trick to attract new customers - the distribution of coins in exchange for goods. The revolution began when cashback services partners were added to the marketing chain. Over time, the number of such services has grown incredibly, which allowed to build long chains of transferring money for goods [1].

The famous scientists have been studying the peculiarities of financial innovations in the financial market: G. Karpenko, G.M. Azarenkova, M.I. Dyba, V.I. Mishchenko, S.V. Onishko, N.M. Panteleeva, G.M. Pochenchuk, M.V. Tarasyuk, V.A. Shevchenko, A.O. Glazier and others. However, it is this topic that needs further study. Therefore, it is worth focusing on the current financial innovations in the banking sector, which save time and money on a daily basis for citizens.

Cashback is a well-conceived marketing move in which a part of the money spent is returned to the buyer. You pay with a bank card, and it, as a fee for loyalty, returns you a small percentage of the amount of each purchase.

Many sites offer a cashback purchase, including the world famous AliExpress. Other popular sites are not far behind: Gearbest, Rozetka, Citrus, MOYO, Comfy, Amazon, Joom, Asos, Booking.com, Adidas, Makeup, Philips, Colin's, Tefal, Lamoda, Monobank, IHerb, Watsons, Sushi Master UA and others. TOP 10 cashback services for Ukraine include LetyShops, Epn.bz, ShopsZon, ShopoPro, BonusPark, Grivasi, Smarty, PayBack, Kopikot, Moneta.

Customers liked this practice, and cashback quickly became popular. A couple of years ago only the most «advanced» users knew about the possibility to return money through a cashback. Today more than 10 million customers serve cashback services. And, according to statistics, this amount is only growing.

This works in such a way. The company allocates funds for advertising and attracting customers, and this amount is transferred to intermediaries, who are in this case cashback services. They leave a part of the money to themselves, and other part is returned to customers on the cards for purchases. The desire to get something

cheaper is great, and people begin to shop. And they themselves bring new customers - many cashback services offer rewards for registering new users in the system.

E-commerce in Ukraine is the distribution, sale, advertising, promotion of services and goods, it mean any transactions in the global network using digital devices. Therefore, it is advisable to make cashback in the digital economy.

The digital economy is gaining momentum: 7 billion devices are connected to the Internet. Experts forecast for 2022 promise to increase internet connections to 50 billion devices [2]. Now, e-commerce is a large part of the global financial market. E-commerce growth rates in Ukraine rank second in Europe, with growth estimated at more than 20% in 2019. In 2020, the e-commerce market will grow by another 15% - up to 87,2 billion UAH. Demand for clothing and footwear (+5%), appliances (+22%), consumer goods (+14%), cosmetics (+24%) is increasing [3].

Worldwide e-commerce revenue is estimated to grow from \$ 481,2 billion in 2018 to \$ 712,9 billion by 2022. By 2023, e-commerce sales will account for up to 22 percent of global retail sales, up from 14,1% this year [4].

From now on, the cashback service is a rather powerful tool for attracting customers, both for banks and for sellers [5]. As a result, everyone is satisfied, and we can conclude that cashback is a mutually beneficial symbiosis of the trading platform, money back services and customers. Due to the high efficiency of this service, Internet services began to use it on a large scale. Therefore, Internet shoppers have to choose the most advantageous options for themselves from a wide range of such services.

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