SYSTEM AND METHOD FOR CONDUCTING A TRANSACTION

FIELD OF INVENTION

[0001] The present disclosure relates to systems and methods for conducting a transaction.

BACKGROUND

[0002] Many consumers are using the internet to purchase their products because of the relative ease of making online transactions. This has led to a significant increase in the number of online merchants and online transactions.

[0003] Many consumers use payment cards for their online transactions. However, there may be a lack of trust between consumers and merchants. One factor for the lack of trust is the issue of cybersecurity for online transactions. Theft of payment card information by hackers as well as the integrity of the merchant's website are common cybersecurity issues.

[0004] Furthermore, many consumers do not wish to pay the merchants for online purchases until the consumers are satisfied with the delivered products. This is because the delivered products may not be identical to the products that they had bought online (e.g. wrong colour, wrong size etc.). The delivered products may also be defective (e.g. manufacturing defects or damage during delivery). By paying upfront for the purchased products, consumers face a tedious process to exchange their delivered products or to obtain a refund when such problems arise.

[0005] Although "cash-on-delivery" methods allow consumers to make payment on delivery rather than in advance (e.g. a courier service has a mobile point-of-sale terminal), consumers have to be physically present at the time of delivery to present their payment cards for payment.

[0006] A need therefore exists to provide a method and system for conducting a transaction that seeks to address at least some of the above problems.

SUMMARY

[0007] According to a first aspect, there is provided a method for conducting a transaction, comprising: receiving, at a transaction module, a payment request for a product; transmitting, from the transaction module to an issuer module, a pre-authorization request to initiate pre-authorization of the transaction corresponding to the payment request; generating, by the transaction module, a delivery order upon initiation of the pre-authorization of the transaction by the issuer module, the delivery order corresponding to a delivery of the product to a recipient; receiving, at the transaction module, a delivery status corresponding to an outcome of the delivery; and transmitting, from the transaction module to the issuer module, an instruction to either: (i) complete an authorization of the transaction based upon the pre-authorization of the transaction; or (ii) cancel the pre-authorization of the transaction; based on the delivery status.

[0008] In an embodiment, the payment request may comprise product data, an issuer identifier and user account data.

[0009] In an embodiment, the product data may further comprise a product description, a product price and a merchant associated with the product.

[0010] In an embodiment, the pre-authorization of the transaction may comprise: (i) determining, at the issuer module, a sufficiency of funds in an account corresponding to the user account data; and (ii) initiating, by the issuer module, the pre-authorization of the transaction upon determining that there are sufficient funds in the account.

[0011] In an embodiment, the method may further comprise transmitting the delivery order, by the transaction module, to a courier module for facilitating delivery of the product to the recipient by a courier service.

[0012] In an embodiment, the delivery status may comprise confirmation, by the recipient and the courier service, of a successful or unsuccessful delivery of the product to the recipient.

[0013] In an embodiment, the instruction to complete the pre-authorization of the transaction may be transmitted to the issuer module on a condition that the delivery status comprises the successful delivery of the product to the recipient.

[0014] In an embodiment, the instruction to cancel the pre-authorization of the transaction may be transmitted to the issuer module on a condition that the delivery status comprises the unsuccessful delivery of the product to the recipient.

[0015] According to a second aspect, there is provided a system for conducting a transaction, comprising a transaction module, the transaction module comprising: at least one processor; and at least one memory including computer program code; the at least one memory and the computer program code configured to, with at least one processor, cause the transaction module at least to: receive a payment request for a product; transmit to an issuer module in communication with the transaction module, a pre-authorization request to initiate pre-authorization of the transaction corresponding to the payment request; generate a delivery order upon initiation of the pre-authorization of the transaction by the issuer module, the delivery order corresponding to a delivery of the product to a recipient; receive a delivery status corresponding to an outcome of the delivery; and transmit an instruction to the issuer module to either: (i) complete an authorization of the transaction based upon the pre-authorization of the transaction; or (ii) cancel the pre-authorization of the transaction; based upon the delivery status.

[0016] In embodiments, the transaction module may be further caused to transmit the delivery order to a courier module that is in communication therewith for facilitating delivery of the product to the recipient by a courier service.

BRIEF DESCRIPTION OF THE DRAWINGS

[0017] Embodiments will be better understood and readily apparent to one of ordinary skill in the art from the following written description, by way of example only, and in conjunction with the drawings, in which:

[0018] Figure 1 shows a flow chart illustrating a method for conducting a transaction according to an example embodiment.

[0019] Figure 2 shows a schematic diagram illustrating the flow of information in a system for conducting a transaction, according to an example embodiment.

[0020] Figure 3 shows a schematic diagram of a computer device / system suitable for realizing a transaction module, according to an example embodiment.

[0021] Figure 4 shows a schematic diagram illustrating the flow of information between various entities during a method for conducting a transaction, according to an example embodiment.

DETAILED DESCRIPTION

[0022] Some portions of the description which follows are explicitly or implicitly presented in terms of algorithms and functional or symbolic representations of operations on data within a computer memory. These algorithmic descriptions and functional or symbolic representations are the means used by those skilled in the data processing arts to convey most effectively the substance of their work to others skilled in the art. An algorithm is here, and generally, conceived to be a self-consistent sequence of steps leading to a desired result. The steps are those requiring physical manipulations of physical quantities, such as electrical, magnetic or optical signals capable of being stored, transferred, combined, compared, and otherwise manipulated.

[0023] Unless specifically stated otherwise, and as apparent from the following, it will be appreciated that throughout the present specification, discussions utilizing terms such as “scanning”, “calculating”, “determining”, “replacing”, “generating”, “initializing”, “outputting”, “identifying”, “authorizing”, “verifying” or the like, refer to the action and processes of a computer system, or similar electronic device, that manipulates and transforms data represented as physical quantities within the computer system into other data similarly represented as physical quantities within the computer system or other information storage, transmission or display devices.

[0024] The present specification also discloses apparatus for performing the operations of the methods. Such apparatus may be specially constructed for the required purposes, or may comprise a computer or other device selectively activated or reconfigured by a computer program stored in the computer. The algorithms and displays presented herein are not inherently related to any particular computer or other apparatus. Various machines may be used with programs in accordance with the teachings herein. Alternatively, the construction of more specialized apparatus to

perform the required method steps may be appropriate. The structure of a computer will appear from the description below.

[0025] In addition, the present specification also implicitly discloses a computer program, in that it would be apparent to the person skilled in the art that the individual steps of the method described herein may be put into effect by computer code. The computer program is not intended to be limited to any particular programming language and implementation thereof. It will be appreciated that a variety of programming languages and coding thereof may be used to implement the teachings of the disclosure contained herein. Moreover, the computer program is not intended to be limited to any particular control flow. There are many other variants of the computer program, which can use different control flows without departing from the spirit or scope of the disclosure.

[0026] Furthermore, one or more of the steps of the computer program may be performed in parallel rather than sequentially. Such a computer program may be stored on any computer readable medium. The computer readable medium may include storage devices such as magnetic or optical disks, memory chips, or other storage devices suitable for interfacing with a computer. The computer readable medium may also include a hard-wired medium such as exemplified in the Internet system, or wireless medium such as exemplified in the GSM mobile telephone system. The computer program when loaded and executed on such a computer effectively results in an apparatus that implements the steps of the preferred method.

[0027] Figure 1 shows a flow chart 100 illustrating a method for conducting a transaction according to an example embodiment. At step 102, a payment request for a product is received at a transaction module. The payment request may originate from a consumer device of a consumer who wishes to purchase one or more products online from a merchant's website. At step 104, the transaction module transmits a pre-authorization request to an issuer module to initiate pre-authorization of the transaction corresponding to the payment request. As will be appreciated by a person skilled in the art, pre-authorization (also known as "authorization hold", "card authorization", or "preauth") is the practice of authorizing an electronic transaction that is done with a payment card (e.g. a debit card or credit card) and holding this balance as unavailable until either the merchant clears the transaction or the hold falls off. At step 106, the transaction module generates a delivery order upon initiation of the pre-authorization of the transaction by the issuer module. The

delivery order corresponds to a delivery of the product to a recipient, for example by a courier service. At step 108, the transaction module receives a delivery status corresponding to an outcome of the delivery by the courier service. At step 110, the transaction module transmits an instruction to the issuer module to either: (i) complete an authorization of the transaction based upon the pre-authorization of the transaction; or (ii) cancel the pre-authorization of the transaction; based upon the delivery status. In particular, if the delivery is successful and the recipient is satisfied with the delivered products, the issuer module is instructed to complete the pre-authorization of the transaction.

[0028] Figure 2 shows a schematic diagram illustrating the flow of information in a system 200 for conducting a transaction, according to an example embodiment. The system 200 comprises a transaction module 204, a merchant module 208, an issuer module 202 and a courier module 206. The transaction module 204 is in communication with the merchant module 208, the issuer module 202 and the courier module 206. The transaction module 204 may comprise at least one processor and at least one memory including computer program code. The at least one memory and the computer program code is configured to, with at least one processor, cause the transaction module 204 at least to: receive a payment request for a product; transmit to the issuer module 202, a pre-authorization request to initiate pre-authorization of the transaction corresponding to the payment request; generate a delivery order upon initiation of the pre-authorization of the transaction by the issuer module 202, the delivery order corresponding to a delivery of the product to a recipient; receive a delivery status corresponding to an outcome of the delivery; and transmit an instruction to the issuer module 202 to either: (i) complete an authorization of the transaction based upon the pre-authorization of the transaction; or (ii) cancel the pre-authorization of the transaction; based upon the delivery status.

[0029] At step A in Figure 2, the transaction module 204 receives a payment request from the merchant module 208. The payment request may originate from a consumer who wishes to purchase one or more products online from a merchant's website. Where the context permits, singular (e.g. "product") or plural terms may also include the plural (e.g. "products") or singular term, respectively. For example, the consumer browses through the merchant's website and wishes to buy a particular product from the merchant. The consumer selects the product he wishes to purchase and adds it to a virtual shopping cart at the merchant's website. After the consumer has finalized his purchase and wishes to checkout, he may make

payment for the product in the virtual shopping cart. The payment request from the consumer may comprise data such as an issuer identifier corresponding to the issuer of the payment card that the consumer wishes to use to make payment. The transaction module 204 is in communication with a merchant module 208 to receive the payment request. The merchant module 208 may comprise or be in communication with a server that hosts the merchant's website. The merchant's website may display a disclaimer to inform the consumer that the transaction is pre-authorized and the transaction will be completed upon successful delivery of the products.

[0030] The payment request may further comprise product data to identify each of the products that the consumer wishes to purchase. The product data may include a product description, a product price and a merchant associated with the product. The payment request may further include the consumer's account data so that the issuer may be able to identify which account is used for payment of the products.

[0031] At step B, the transaction module 204 transmits the pre-authorization request to the issuer module 202 to initiate pre-authorization of the transaction corresponding to the payment request. The pre-authorization request can be transmitted either directly or indirectly to the issuer module 202. In the case of indirect transmission, the transaction module 204 may send the pre-authorization request to the issuer module 202 via a payment gateway and a payment network. In another example of indirect transmission, the transaction module 204 may send the pre-authorization request to the issuer module 202 via the payment gateway, an acquirer and the payment network. The issuer module 202 may be administered by the issuer of the payment card that is selected by the consumer. The issuer module 202 may determine whether there are sufficient funds in the user's account based on the user account data and product price. If there are sufficient funds, the issuer module 202 may initiate the pre-authorization by generating a pre-authorization code and transmitting the pre-authorization code to the transaction module 204. For example, if the total cost of the products is $500 and the available balance in the user account is $700, the issuer module 202 may generate the pre-authorization code and transmit the same to the transaction module 204. The transaction module 204 may in turn transmit the pre-authorization code to the merchant module 208 to notify the merchant that the consumer has sufficient funds in his account for payment of the products.

[0032] On the other hand, if the user has insufficient funds for payment of the product, the issuer module 202 does not generate the pre-authorization code. Instead, a cancellation code may be generated by the issuer module 202 which is transmitted to the merchant module 208 through the transaction module 204 to inform the merchant that the consumer has insufficient funds in his account for payment of the products. In such a case, the merchant's website may provide an indication to the consumer that he has insufficient funds in his account to make the purchase. The pre-authorization may have a validity period after which the authorization may be rescinded. For example, the pre-authorization may have a validity period of 7 days after which the authorization is rescinded. This may encourage merchants to ensure that the products are promptly delivered to the consumer, thereby improving trust between the consumer and the merchant.

[0033] The transaction module 204 generates a delivery order upon initiation of the pre-authorization of the transaction by the issuer module 202. The delivery order may correspond to a delivery of the product to a recipient by a courier service. The delivery order may comprise data such as a tracking identifier that is associated with delivery of the product, where the tracking identifier is used to track the delivery progress of the product.

[0034] At step C, after the delivery order is generated, the transaction module 204 transmits the delivery order to a courier module 206 for facilitating delivery of the product to the recipient by a courier service. The courier module 206 may be administered by the courier service. Upon receiving the delivery order, the courier service proceeds to pick up the products from the merchant for delivery to the recipient. The courier module 206 may also be in communication with a mobile / handheld courier device that is carried by the delivery personnel during delivery runs. The mobile courier device may receive the delivery order from the courier module 206 and can provide the delivery personnel with details of each dispatch (e.g. recipient address, product to be delivered, etc.). The delivery order may be associated with the validity period of the pre-authorization, where the delivery of the products has to be completed before the validity period expires. For example, if the pre-authorization expires after 7 days, the delivery order may be generated with instructions to deliver the product within 6 days to the recipient. It can be appreciated by a person skilled in the art that variations of the validity period of the pre-authorization are possible. For example, the pre-authorization can expire between 2 to 21 days and thus, the delivery order may be

generated with instructions to deliver the product before the expiration of the pre-authorization.

[0035] At step D, the transaction module 204 receives a delivery status corresponding to an outcome of the delivery from the courier module 206. The delivery status may comprise confirmation by the recipient and the courier service whether delivery of the product is successful or unsuccessful. The delivery status may state that the delivery is "successful" or "unsuccessful" based on the confirmation by both the recipient and the courier service. More specifically, when the product is delivered to the recipient, the recipient checks the product. If the recipient is satisfied with the delivered product, he may indicate, by signing on a user interface of the mobile courier device, acceptance of the product. In another embodiment, the recipient may select "OK" at the user interface of the mobile courier device to indicate acceptance of the product. Other forms of authentication by the recipient are also possible. For example, to mitigate the possible threat of fraud by the courier, the recipient may enter his card verification/validation code (CVC) in addition to signing on the user interface of the mobile courier device to indicate acceptance of the product. Upon acceptance by the recipient, the courier service may subsequently select "OK" to indicate acceptance of the product by the recipient. In this case, the delivery status is deemed "successful" and the mobile courier device sends the delivery status to the courier module 206. The courier module 206 in turn relays the delivery status to the transaction module 204.

[0036] On the other hand, if the recipient is not satisfied with the product, he may select "NOT OK" on the user interface of the mobile courier device to indicate rejection of the product. A request to cancel the pre-authorization may be sent to the transaction module 204 through the courier module 206. Subsequently, the transaction module 204 may transmit the pre-authorization void request to the issuer module 202 to cancel the pre-authorization. Thereafter, the transaction module 204 may send a notification to the merchant module 208 that the pre-authorization has been cancelled and the recipient has rejected the product. The delivery courier then returns the rejected product to the merchant.

[0037] At step E, if the delivery status of the product is successful, the transaction module 204 instructs the issuer module 202 to complete the authorization of the transaction based upon the pre-authorization so that subsequently during settlement, the issuer can deduct the total cost of the products from the user's account and the merchant receives payment of the products.

[0038] Use of the term “module” herein may be understood to mean a single computing device or a plurality of interconnected computing devices which operate together to perform a particular function. That is, the module may be contained within a single hardware unit or be distributed among several different hardware units. An exemplary computing device which may be operated as a module is described below with reference to Figure 3.

[0039] Figure 3 shows a schematic diagram of a computer device or computer system 300 suitable for realizing the transaction module 204, the issuer module 202, the courier module 206 and/or the merchant module 208. The following description of the computing device 300 is provided by way of example only and is not intended to be limiting.

[0040] As shown in Figure 3, the example computing device 300 includes a processor 304 for executing software routines. Although a single processor is shown for the sake of clarity, the computing device 300 may also include a multi-processor system. The processor 304 is connected to a communication infrastructure 306 for communication with other components of the computing device 300. The communication infrastructure 306 may include, for example, a communications bus, cross-bar, or network.

[0041] The computing device 300 further includes a main memory 308, such as a random access memory (RAM), and a secondary memory 310. The secondary memory 310 may include, for example, a hard disk drive 312, which may be a hard disk drive, a solid state drive or a hybrid drive and/or a removable storage drive 314, which may include a magnetic tape drive, an optical disk drive, a solid state storage drive (such as a USB flash drive, a flash memory device, a solid state drive or a memory card), or the like. The removable storage drive 314 reads from and/or writes to a removable storage unit 318 in a well-known manner. The removable storage unit 318 may include magnetic tape, optical disk, non-volatile memory storage medium, or the like, which is read by and written to by removable storage drive 314. As will be appreciated by persons skilled in the relevant art(s), the removable storage unit 318 includes a computer readable storage medium having stored therein computer executable program code instructions and/or data.

[0042] In an alternative implementation, the secondary memory 310 may additionally or alternatively include other similar means for allowing computer programs or other instructions to be loaded into the computing device 300. Such means can include, for example, a removable storage unit 322 and an interface 320. Examples of a removable

storage unit 322 and interface 320 include a program cartridge and cartridge interface (such as that found in video game console devices), a removable memory chip (such as an EPROM or PROM) and associated socket, a removable solid state storage drive (such as a USB flash drive, a flash memory device, a solid state drive or a memory card), and other removable storage units 322 and interfaces 320 which allow software and data to be transferred from the removable storage unit 322 to the computer system 300.

[0043] The computing device 300 also includes at least one communication interface 324. The communication interface 324 allows software and data to be transferred between computing device 300 and external devices via a communication path 326. In various embodiments, the communication interface 324 permits data to be transferred between the computing device 300 and a data communication network, such as a public data or private data communication network. The communication interface 324 may be used to exchange data between different computing devices 300 which such computing devices 300 form part an interconnected computer network. Examples of a communication interface 324 can include a modem, a network interface (such as an Ethernet card), a communication port (such as a serial, parallel, printer, GPIB, IEEE 1394, RJ45, USB), an antenna with associated circuitry and the like. The communication interface 324 may be wired or may be wireless. Software and data transferred via the communication interface 324 are in the form of signals which can be electronic, electromagnetic, optical or other signals capable of being received by communication interface 324. These signals are provided to the communication interface via the communication path 326.

[0044] As shown in Figure 3, the computing device 300 further includes a display interface 302 which performs operations for rendering images to an associated display 330 and an audio interface 332 for performing operations for playing audio content via associated speaker(s) 334.

[0045] As used herein, the term "computer program product" may refer, in part, to removable storage unit 318, removable storage unit 322, a hard disk installed in hard disk drive 312, or a carrier wave carrying software over communication path 326 (wireless link or cable) to communication interface 324. Computer readable storage media refers to any non-transitory tangible storage medium that provides recorded instructions and/or data to the computing device 300 for execution and/or processing. Examples of such storage media include magnetic tape, CD-ROM, DVD, Blu-ray™

Disc, a hard disk drive, a ROM or integrated circuit, a solid state drive (such as a USB flash drive, a flash memory device, a solid state drive or a memory card), a hybrid drive, a magneto-optical disk, or a computer readable card such as a PCMCIA card and the like, whether or not such devices are internal or external of the computing device 300. Examples of transitory or non-tangible computer readable transmission media that may also participate in the provision of software, application programs, instructions and/or data to the computing device 300 include radio or infra-red transmission channels as well as a network connection to another computer or networked device, and the Internet or Intranets including e-mail transmissions and information recorded on Websites and the like.

[0046] The computer programs (also called computer program code) are stored in main memory 308 and/or secondary memory 310. Computer programs can also be received via the communication interface 324. Such computer programs, when executed, enable the computing device 300 to perform one or more features of embodiments discussed herein. In various embodiments, the computer programs, when executed, enable the processor 304 to perform features of the above-described embodiments. Accordingly, such computer programs represent controllers of the computer system 300.

[0047] Software may be stored in a computer program product and loaded into the computing device 300 using the removable storage drive 314, the hard disk drive 312, or the interface 320. Alternatively, the computer program product may be downloaded to the computer system 300 over the communications path 326. The software, when executed by the processor 304, causes the computing device 300 to perform functions of embodiments described herein.

[0048] It is to be understood that the embodiment of Figure 3 is presented merely by way of example. Therefore, in some embodiments one or more features of the computing device 300 may be omitted. Also, in some embodiments, one or more features of the computing device 300 may be combined together. Additionally, in some embodiments, one or more features of the computing device 300 may be split into one or more component parts.

[0049] The method for conducting a transaction as described herein may result in improved trust between a consumer and a merchant. Pre-authorization of a transaction allows the consumer to withhold payment of the transaction until a product is delivered to a recipient. On the other hand, unlike “cash-on-delivery”, the merchant is provided

with a preliminary assurance of payment by the consumer. Confirmation of a successful delivery by the recipient and a courier service allows the pre-authorization to be completed.

[0050] Figure 4 shows a schematic diagram illustrating the flow of information between various entities during a method for conducting a transaction, according to an example embodiment. At step 1, the consumer (cardholder) logs in to an electronic-commerce website of a merchant. At step 2, the consumer selects the products he wishes to purchase and adds them into the virtual shopping cart at the website. At step 3, the consumer reviews the products in the virtual shopping cart and initiates payment for the products by selecting a payment method and entering his payment card details. At step 4, a pre-authorization disclaimer is displayed on the website to inform the consumer that the transaction is pre-authorized and the transaction will be completed upon successful delivery of the products. It can be appreciated that the validity period of the pre-authorization may vary. For example, the pre-authorization can expire between 2 to 21 days and thus, the delivery of the products can be made before the expiration of the pre-authorization. At step 5, the consumer confirms card payment for his products.

[0051] At step 6, the issuer of the payment card selected by the consumer determines sufficiency of funds in the user's account for payment of the products. At step 7, if the issuer determines there are insufficient funds in the user's account, the issuer sends a rejection message for display at the website. At step 8, after receiving the rejection message, the website allows the consumer to amend the products in his cart so that there are sufficient funds to purchase the products, or the consumer can stop shopping. On the other hand, if the issuer determines that there are sufficient funds in the user's account, the issuer blocks the funds and generates a pre-authorization code at step 9. At step 10, the merchant receives the pre-authorization code and at step 11, the merchant confirms that the order is fulfilled and prepares the products for dispatch. A tracking identifier is also generated at this step.

[0052] At step 12, a courier service picks up the products from the merchant for delivery. At step 13, the courier service delivers the products to a recipient within the validity period of the pre-authorization (e.g. 7 days). At step 14, the courier service hands over the products to the recipient and the recipient checks to determine if the products delivered are acceptable. At step 15, if the recipient rejects the products, he signs a rejection form provided by the courier service. At step 16, the courier service

submits a void request for the pre-authorization through a mobile courier device and returns the products to the merchant at step 17. At step 18, the merchant receives the products from the courier service. At step 19, after the courier service submits the void request through the mobile courier device, the merchant receives a pre-authorization cancellation message and sends a pre-authorization reversal message to the issuer. At step 20, the issuer cancels the pre-authorization and releases the funds back into the user's account. At step 21, the consumer receives a notification from the issuer that the funds are released back into his account.

[0053] On the other hand, if the recipient accepts the product, he signs on a delivery form at step 22. The recipient may also enter his CVC and sign on the user interface of the mobile courier device to indicate acceptance of the product. At step 23, the courier service uses the mobile courier device or an open application programming interface (API) to instruct completion of the pre-authorization. At step 24, the merchant receives the pre-authorization completion instruction from the courier service and in turn instructs the issuer accordingly. At step 25, the issuer debits the total price of the transaction from the user account. At step 26, the merchant receives payment for the transaction at a later time.

[0054] It will be appreciated by a person skilled in the art that numerous variations and/or modifications may be made to the present invention as shown in the specific embodiments without departing from the spirit or scope of the invention as broadly described. The present embodiments are, therefore, to be considered in all respects to be illustrative and not restrictive.

CLAIMS

1. A method for conducting a transaction, comprising:

receiving, at a transaction module, a payment request for a product;

transmitting, from the transaction module to an issuer module, a pre-authorization request to initiate pre-authorization of the transaction corresponding to the payment request;

generating, by the transaction module, a delivery order upon initiation of the pre-authorization of the transaction by the issuer module, the delivery order corresponding to a delivery of the product to a recipient;

receiving, at the transaction module, a delivery status corresponding to an outcome of the delivery; and

transmitting, from the transaction module to the issuer module, an instruction to either:

(i) complete an authorization of the transaction based upon the pre-authorization of the transaction; or

(ii) cancel the pre-authorization of the transaction;

based upon the delivery status.

2. The method as claimed in claim 1, wherein the payment request comprises product data, an issuer identifier and user account data.

3. The method as claimed in claim 2, wherein the product data further comprises a product description, a product price and a merchant associated with the product.

4. The method as claimed in claim 2, wherein the pre-authorization of the transaction comprises:

(i) determining, at the issuer module, a sufficiency of funds in an account corresponding to the user account data; and

(ii) initiating, by the issuer module, the pre-authorization of the transaction upon determining that there are sufficient funds in the account.

5. The method as claimed in any of the preceding claims, the method further comprising transmitting the delivery order, by the transaction module, to a courier module for facilitating delivery of the product to the recipient by a courier service.

6. The method as claimed in claim 5, wherein the delivery status comprises confirmation, by the recipient and the courier service, of a successful or unsuccessful delivery of the product to the recipient.

7. The method as claimed in claim 6, wherein the instruction to complete the pre-authorization of the transaction is transmitted to the issuer module on a condition that the delivery status comprises the successful delivery of the product to the recipient.

8. The method as claimed in claim 6, wherein the instruction to cancel the pre-authorization of the transaction is transmitted to the issuer module on a condition that the delivery status comprises the unsuccessful delivery of the product to the recipient.

9. A system for conducting a transaction, comprising a transaction module, the transaction module comprising:

at least one processor; and

at least one memory including computer program code;

the at least one memory and the computer program code configured to, with at least one processor, cause the transaction module at least to:

receive a payment request for a product;

transmit to an issuer module in communication with the transaction module, a pre-authorization request to initiate pre-authorization of the transaction corresponding to the payment request;

generate a delivery order upon initiation of the pre-authorization of the transaction by the issuer module, the delivery order corresponding to a delivery of the product to a recipient;

receive a delivery status corresponding to an outcome of the delivery; and

transmit an instruction to the issuer module to either: (i) complete an authorization of the transaction based upon the pre-authorization of the transaction; or (ii) cancel the pre-authorization of the transaction; based upon the delivery status.

10. The system as claimed in claim 9, wherein the payment request comprises product data, an issuer identifier and user account data.

11. The system as claimed in claim 10, wherein the product data further comprises a product description, a product price and a merchant associated with the product.

12. The system as claimed in claims 9 to 11, wherein the transaction module is further caused to transmit the delivery order to a courier module that is in communication therewith for facilitating delivery of the product to the recipient by a courier service.

13. The system as claimed in claim 12, wherein the delivery status comprises confirmation, by the recipient and the courier service, of a successful or unsuccessful delivery of the product to the recipient.

14. The system as claimed in claims 9 to 13, wherein the instruction to complete the pre-authorization of the transaction is transmitted to the issuer module on a condition that the delivery status comprises the successful delivery of the product to the recipient.

15. The system as claimed in claims 9 to 14, wherein the instruction to cancel the pre-authorization of the transaction is transmitted to the issuer module on a condition that the delivery status comprises the unsuccessful delivery of the product to the recipient.