

A Pragmatic Review on M-Commerce: Game Changer for Online Market

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Abstract:

The global smart phone market is accelerating fast with continuous advancement in technology and digital trends. As with era of digitalization concept of m-commerce grows rapidly. M-Commerce is at emerging level in India. It includes mobile banking, mobile entertainment and mobile marketing. The need for mobility seems to be primary driving forces behind m-commerce success. M-commerce is new generation model business. In this user can interact with the service providers through a mobile and wireless network. M-commerce refers to buying and selling of goods and services, making payment over internet using mobile phones. The study focuses on impact and growth of M-commerce in India.

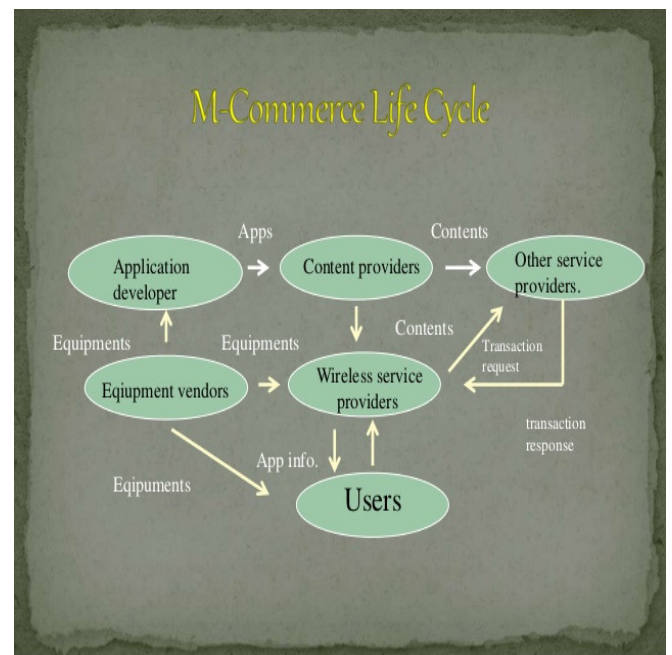
Keywords: **M-Commerce, Mobile Banking, Smart phones, Mobile Marketing, Mobile Entertainment.**

I. INTRODUCTION

The growing smart phone usage has provided a new avenue for market. The technology growth in smart phone shows an increasing rate of adoption of m-commerce in India. M-commerce refers to paying for services by using a mobile phone. It is the use of mobile device to communicate the information and transact to public and private network. It is an entertainment tool operated by mobile. The concept of m-commerce originally given by Kevin Duffey in 1997 at the launch of global mobile commerce forum with aim to delivery of electronic transaction according to capability of customer anytime and anywhere. M-commerce includes purchase and sales of a variety of products and services by using mobile phones. M-commerce includes many applications, technologies, services and business models. Mobile commerce applications are of two categories.

1. Content delivery: It includes notification, feedback, confirmation and tracking etc.

2. Transactions: It includes making payment, checkouts, maintenance etc.



II. OBJECTIVE OF STUDY

1. To study the concept and origin of M-commerce in India.
2. To find out the problems and issues with M-commerce in India.
3. To understand the growth and benefits of M-commerce.
4. To analysis the M-commerce impact with SWOT analysis.

Process of buying product

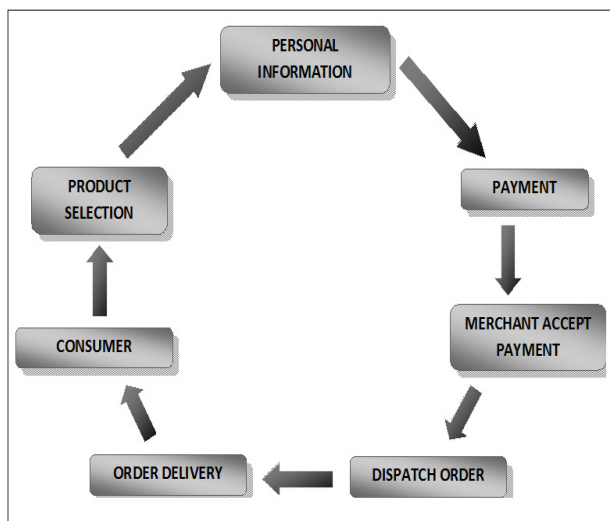


Fig no:01

- In the above figure process of buying product demonstrated. The process starts with selection of product in mobile as per need. Then buyer gives all the details to merchant online and makes payment. After getting payment from buyer the merchant dispatch the order with courier service.

III. REVIEW OF LITERATURE

Mobile commerce refers to a wide range of online business in which mobile devices use as a tools to communicate, interact and transact with a high speed internet. M-commerce is a part of E-commerce and can be expressed as “Internet+

Wireless+ E-commerce= M-commerce”. To get valuable insight about the topic the brief literature has been studied.

- 1- Tiwari R, Buse .S and Hertatt C. (2006) “From electronic to mobile commerce”- In their study they defined M-commerce as merging role in online business. They also illustrated the various benefits of M-commerce to businesses, government and customer.
- 2- Sujata P. Deshmukha, Prashant Deshmukha and Thampi G. (2013). “Transformation from E-commerce to M-commerce in India”.- The study is about and how fast M-commerce is surpassing E-commerce. They stated about prevailing changes in India like securities, payment and awareness. At last research paper ended with conclusion and steps being taken by Government.
- 3- Batra and Juneja, (2013). - They extended their research on mobile commerce in India. The study clearly explains the barriers faced by M-commerce and strategy adopted. At last the study suggested improving user interface and implementing innovative pricing structure.
- 4- Manpreet Kaur, (2015). “M-commerce SWOT analysis”. - This paper examines the facts about feasibility of M-commerce with SWOT analysis. The study found that there has been tremendous growth in wireless technology in the last decade.
- 5- Dr. Sachin Gupta and Mr. Anand Vyas, (2014).” Benefits and drawback of M-commerce in India.”- The purpose of this study is to identify factor affecting M-commerce. The study demonstrated how M-commerce is developing in India. The study found that still there is lot of work which is to be done for M-commerce for better development.

DIFFERENCE BETWEEN M-COMMERCE AND E-COMMERCE	
M-COMMERCE	E-COMMERCE
1- ACCESS AT ANY PLACE	1-CAN NOT ACCESS AT ANY PLACE
2- MORE SECURE	2- LESS SECURE
3-M-COMMERCE IS COSTIER	3-E-COMMERCE IS CHEAPER
4- EASY TO USE 5- BROADER CONCEPT	4-COMPLEXITY ARISES 5- NARROW CONCEPT
6- DEVELOPED IN 1990s	6- DEVELOPED IN 1970s

Fig no: 02

IV. TOOLS FOR MOBILE COMMERCE

- 1- SMS (Short message services) - It is widely used and cheapest form of mobile marketing. Companies send bulk message to their customer to get their attentions.
- 2- MMS (Multimedia message services) – It helps to convey the multimedia message of product, which helps the customer a lot to select the product.
- 3- Mobile Web Applications - Customer can access the product or services through the web pages of companies through mobile.
- 4- Bluetooth – A Bluetooth message can be circulated within a range of 10 meter. By using this tool customer and seller are freely access the services.
- 5- Voice – Voice based marketing over the mobile is advance form marketing. A customer has to follow the instruction recorded on the system.

Different Services and Application Available For Mobile Commerce:

- 1- Mobile ticketing – It is the process where a customer can obtain a validate ticket from any location at any time using mobile phone. By

making payment for ticket customer get SMS of validate ticket in his mobile.

- 2- Mobile Money Transfer – This refers to payment services performed by smart phones. By using mobile a person can access the service of fund transfer any time.
- 3- Mobile Content and Purchase Delivery – Currently mobile purchase and delivery mainly consist of sale of ringtone, wallpapers, games etc. This new concept business also access through mobile phones anytime and anywhere.
- 4- Mobile Banking – Commercial banks are also allow their customer to access their account anywhere, anytime from their mobile phones. Mobile banking services are:
 - 1- Mini statement and transaction history
 - 2- Pin change and creation
 - 3- Fund transfer
 - 4- Open FDs and RDs.
- 5- Mobile Brokerage – Stock market services are also offered via mobile devices and now known as mobile brokerage. They allow subscriber to check the stock time to time from their mobile phones anyplace and at anytime.

V. SWOT ANALYSIS

STRENGTH: Factor which strength of M-commerce.

- 1- Online access globally
- 2- Location sensivity of device.
- 3- Authentication and Authorization Capabilities.

WEAKNESS: Major weaknesses are:

- 1- Lack of digital identity
- 2- Lack of data security
- 3- Payment risk.

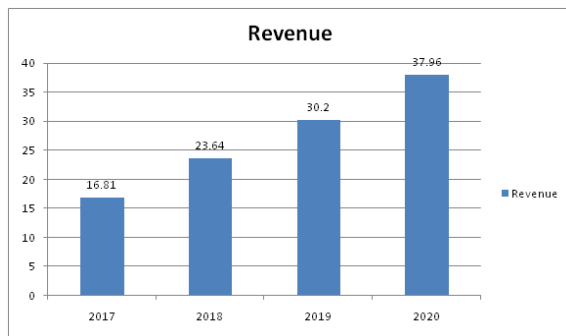
OPPORTUNITIES: Major opportunities are:

- 1- High rate of consumer adoption,
- 2- Innovative business model.
- 3- Globally access
- 4- Multiple service provider business

THREATS: Threats faced by M-commerce are:

- 1- Privacy risk and mobile commerce security.
- 2- Mobile application security risk
- 3- Mobile middleware security risk.

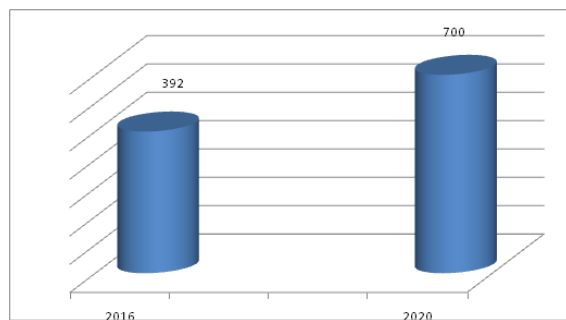
RETAIL M-COMMERCE SALES IN INDIA (in billion US dollars)



Source: Statista Research Department Fig no: 03

- Fig no: 03 – Shows the retail M-commerce sale in India from 2017 to 2020. In 2017 the retail sales is 16.81 billion US dollars and are projected to reach 37.96 billion US dollars in 2020

Internet users in INDIA (million)



SOURCE: - Media sources, Aranca Research Fig no: 04

- Fig no: 04 state the number of internet user in India it clearly shows that in 2016 the internet user are 392 million and projected to reach 700 million users till 2020.

VI. FOSTER FACTOR OF M-COMMERCE:

- 1- **MOBILITY** – M-commerce enables customer to do online transaction with their mobile phones anywhere so they can easily shop, play and download anytime.
- 2- **UBIQUITY** – It means usage of online services and carrying online transaction not affected by customer geographical location.
- 3- **Low rate of Internet** – The mobile internet are not available in cheap rate which helpful for unaffordable customer access internet connectivity. Though a large no. of user increases daily.
- 4- **Ease Access to Smart phone** – The smart phone industry developed low cost smart phone with easy access. Highly featured smart phone led to growth of m-commerce.
- 5- **Government participation** – Government participation is major role in growth of M-commerce. The government of India launches many yojana which are access easily in mobile phones and people get benefited directly.

VII. PROBLEMS IN USING M-COMMERCE

M-commerce in India is still in its infancy stage. There are many people not using M-commerce very widely and the reason for that are:

- 1- **Lack of Awareness** – Many people using smart phones but still people in India are not aware of using m-commerce and some feel insecure while making payment over mobile.
- 2- **Lack of Internet connectivity** – The rate of 3G and 4G have declined in India, but still not affordable by whole people of India.

- 3- Security Issues – There are many security issues arises in customer mind about payment over mobile.
- 4- Language Barriers – Most of apps are available in many languages, but many apps are still in English. In India still many people are not used English language and prefer their own languages.
- 5- Complex Mobile Application – The mobile applications are sometime design ver complex as compared to E-commerce.

VIII. CONCLUSION

M-commerce is value added services to the business. It is a game changer in the future online market. The study shows the growth and impact of M-commerce. The research paper examines the various factor of growth and tools used in M-commerce and conclude the reason for its spread. The reason for its spread is availability of smart phones. With the help of M-commerce one can get the entire world knowledge on their smart phone. Mobile commerce is going to play a major role in conducting business in future, but awareness is major role in growth of M-commerce. There is always improvement required in any field. Thus government of India should necessary action or steps for improvement in the field of M-commerce.

- 1- Proper government policies should be maintained regarding safety of customer using M-commerce.
- 2- Low tariffs- High revenue
- 3- Coverage of rural area and expand internet connectivity.

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