Study of M-Commerce in India

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Abstract

M-Commerce is E-Commerce conducted on mobile phones using internet. E-commerce is electronic commerce in which transactions are conducted on desktop computers, laptops using internet. E-commerce has the benefits such as around-the-clock availability, the speed of access, a wider selection of goods and services, accessibility, and international reach. People can visit the different websites and do online transactions, send emails, transfer funds, search for various products within a moment. M-Commerce (mobile commerce) is the buying and selling of products and services through wireless handheld devices such as mobile phones. M-Commerce enables users to access the internet without needing to find a place to plug in. Different types of on-line transactions are carried out using mobile phones, mobile applications and internet. People can carry and access mobile phones with preserving the privacy anytime anywhere. Thus, ubiquity, mobility ,flexibility, reach ability features of M-Commerce make people possible to do shopping, search various products, transfer funds, ticket booking, utility bill payment anytime anywhere. Mobile money transfer, Mobile ticketing, Mobile vouchers, coupons and loyalty cards, Mobile vouchers, coupons and loyalty cards, Location-based services, Information services are the M-Commerce services which the mobile subscribers can use through different mobile applications using internet. Indian retail customers are taking strongly to mobile commerce, with nearly 83% of people owning a smartphone shopping online on their mobile phones, India's market for m-commerce would expand. In particular, customers in the age group of 25-34 are taking to their mobile phones to shop online, with 90% of customers in this group doing so. This paper sheds light on the M-Commerce, its applications, advantages, disadvantages and the growth of M-Commerce in India.

KEYWORDS: M-Commerce, E-Commerce, Ubiquity, Mobile applications.

INTRODUCTION

Mobile commerce is usually called as 'M-commerce' in which user can do any sort of transaction including buying and selling of goods, asking any services, transferring ownership or rights, transacting and transferring money by accessing wireless internet service on the mobile handset itself. The next generation of commerce would most probably be mobile commerce or M-commerce. Presuming its wide potential reach, all major mobile handset manufacturing companies are making 2WAP (Wireless Application Protocol) enabled smartphones and providing the maximum wireless internet and web facilities covering personal, official and commerce requirement to pave the for way M-commerce that would later be very fruitful for them.

M-commerce is defined as 'the ability to purchase goods anywhere through a wireless Internet-enabled device. Primary mobile communication exists through web-enabled wireless phones. It can also be defined as:

- "Providing E-commerce in a mobile context."

- "Using mobile technology to sell or buy items, access business information, conduct a transaction, perform supply chain or demand chain functions. Mobile Commerce refers to wireless electronic commerce used for conducting commerce or business through a handy device like cellular phone or 1Personal Digital Assistant (PDA).
- It is also said that it is the next generation wireless E-commerce that needs no wire and plug-in devices.

Research Methodology: The Present paper is qualitative and based on secondary data collected from various sources like books. Newspapers, management journal and internet.

Objectives of the study:
1. To study various services provided by M- commerce
2. To explain advantages and limitations of M-Commerce
3. To throw light on future of M-Commerce in India along with the concluding remarks.

Products and services available:

1. Mobile money transfer

Now a days money transfer is mainly done through the use of mobile phones. This was an initiative of a multimillion shillings company in Kenya named Safaricom. Currently, the companies involved are Safaricom and Airtel.

Mobile automated teller machine (ATM) is a special type of ATM. Most ATMs are meant to be stationary, and they're often found attached to the side of financial institutions, in stores, and in malls. A mobile ATM machine, on the other hand, is meant to be moved from location to location. This type of ATM is often found at special events for which ATM service is only needed temporarily. For example, they may be found at carnivals, fairs, and parades. They may also be used at seminars and workshops when there is no regular ATM nearby.

2. Mobile ticketing

Tickets can be sent to mobile phones using a variety of technologies. Users are then able to use their tickets immediately, by presenting their mobile phone at the ticket check as a digital boarding pass. Most numbers of users are now moving towards this technology.

3. Mobile vouchers, coupons and loyalty cards

Mobile ticketing technology can also be used for the distribution of vouchers, coupons, and loyalty cards. These items are represented by a virtual token that is sent to the mobile phone. A customer presenting a mobile phone with one of these tokens at the point of sale receives the same benefits as if they had the traditional token. Stores may send coupons to customers using location-based services to determine when the customer is nearby. Using a connected device and the networking effect can also allow for gamification within the shopping experience.

4. Content purchase and delivery[

Currently, mobile content purchase and delivery mainly consist of the sale of ring-tones, wallpapers, and games for mobile phones. The convergence of mobile phones, portable audio players, and video players into a single device is increasing the purchase and delivery of full-length music tracks and video. The download speeds available with 4G networks make it possible to buy a movie on a mobile device in a couple of seconds.[17]

5. Location-based services

The location of the mobile phone user is an important piece of information used during mobile commerce or m-commerce transactions. Knowing the location of the user allows for location-based services such as:

- Local discount offers
- Local weather
- Tracking and monitoring of people
- Data driven mashups targeting at a hyper-local level

6. Information services

A wide variety of information services can be delivered to mobile phone users in much the same way as it is delivered to PCs. These services include:

- News
- Stock quotes
- Sports scores
- Financial records
- Traffic reporting
- Emergency Alerts
- Location Based Notifications

Customized traffic information, based on a user's actual travel patterns, can be sent to a mobile device. This customized data is more useful than a generic traffic-report broadcast, but was impractical before the invention of modern mobile devices due to the bandwidth requirements.

7. Mobile banking

Banks and other financial institutions use mobile commerce to allow their customers to access account information and make transactions, such as purchasing stocks, remitting money. This service is often referred to as mobile banking, or m-banking.

8. Mobile brokerage

Stock market services offered via mobile devices have also become more popular and are known as Mobile Brokerage. They allow the subscriber to react to market developments in a timely fashion and irrespective of their physical location.

9. Mobile browsing

Using a mobile browser—a World Wide Web browser on a mobile device—customers can shop online without having to be at their personal computer. Many mobile marketing apps with geo-location capability are now delivering user-specific marketing messages to the right person at the right time.

10. Mobile marketing and advertising

In the context of mobile commerce, **mobile marketing** refers to marketing sent to mobile devices. Companies have reported that they see better response from mobile marketing campaigns than from traditional campaigns. The primary reason for this is the instant nature of customer decision-making that mobile apps and websites enable. The consumer can receive a marketing message or discount coupon and, within a few seconds, make a decision to buy and go on to complete the sale - without disrupting their current real-world activity.

ADVANTAGES AND LIMITATIONS OF M-COMMERCE

Some of the benefits of M-Commerce some of which are described below:

1. Long distance reachability: Mobile phones are available to every person and are very important in social and business life. The sellers can reach the customers through mobile phones and customers can access mobile applications to find products. So though seller and and customers are at long distance they can can reach each other.

2. Better deal for Consumers: The consumers can search different products using mobile application. They can compare the product cost, delivery time and place the order. Thus customer can compare the products and get the best deal.

3. Savings :The consumers can search the required product, compare it and get the best deal without visiting the physical shops. Thus his money and time to travel is saved. He can purchase the product at any time anywhere using mobile applications. Myntra, Jabong are examples of mobile applications.

4. Easy to use :The Mobile applications are easy to use. No special skills are required to use these applications. Further the consumer can pay the bill on delivery of the product. So people can purchase the items u using mobile applications easily.

5. Secure transactions: The consumers can do the the secure transactions i.e.M-Payment using mobile applications. For security the consumers are given login ID and password. On Time Password is generated for the transaction which is used for user authentication. Thus there is transacton security for M-Payment.

Disadvantages of M-Commerce:

1. Tiny Screen: Tiny screen of mobile device makes the consumer difficult to search more items in one display. Every time the consumer has to zoom the image. The consumer gets tired because of this process. Also the seller can not show eye catching images. So it becomes difficult for retailer to sell the product using mobile application.

2. Speed of delivery: The speed of mobile device is less than personal computers. Further the consumers has to remove the contents such as flash videos and plug-in which consumes a fraction of time. It results in reduced speed of searching, placing order and delivery of the products.

3. Security: Mobile security is improving regularly. But some consumers do not have trust to do the transactions on mobile device. Moreover, mobile device networks provide greater opportunities for hackers than internet. So the transactions conducted on mobile device must be secured transactions.

4. Mobile Phone Configuration: Mobile phone configuration must be compatible with the mobile application. The configuration limits the installation and hence use of mobile application.

FUTURE OF M-COMMERCE SERVICES IN INDIA:

Use of mobile phone has increased so much that it is not just a device to make calls, but an important medium to fulfill all the financial needs for friends and family. Now, mobile phone technology has made another leapfrog to pave its way for a new trend called mobile commerce where the financial transactions are made using mobile devices. Following table shows the estimated growth of M commerce in India by 2020- 2020:

Table No. 1

Smartphone Users in India

Years	Smartphone user in Million in India (Millions)
2013	76
2014	123.3

2015	167.9
2016	204.1
2017	243.8
2018	279.2
2019(Estimated)	317.1

(Source:-Statistics 2016)

From the above table it has been observed that smartphone users shown increasing trends over the years. During the year 2013 only 76 million people were used smartphones but it was increased up to 279.2 million during the year 2018 and projected to increase up to 317.1 million in the year 2019.

CONCLUSION

Mobile commerce is going to play a major role in conducting business in future. Future of m-commerce services is very difficult to predict. With intense competition in markets, different payment strategies, and more customer awareness give a boost to mobile commerce services growth. There are some important factors that will significantly contribute the boom of M-commerce industries in India.

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