M — Commerce (Mobile Commerce) in India

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Abstract: India has a huge opportunity for mobile commerce. This is the first time a majority of Indians are getting connected to the internet. They are discovering products at costs that are lower than they've never seen before, and they are getting products that were not available in their market before. As 2016 begins, Mobile Commerce in India is undergoing an exciting transition. The country has seen an impressive rise in everyday commerce conducted via mobile devices. The Mobile Commerce market in India is witnessing increasing collaboration between service providers and banks. Most of the mobile service operators are having tie-ups with leading banking service providers to provide mobile payment facilities. The ubiquity, reach-ability, mobility and flexibility features of M-Commerce have increased the mobile users and mobile internet subscribers in India. M-Commerce is implemented through mobile applications. People are using mobile applications instead of web application for utility bill payment, ticket booking, fund transfer, email and so on. Thus M-Commerce is replacing E-commerce. With these advantages M-Commerce have disadvantages such as tiny screen of device, weak processors, limited memory, poor resolutions, poor data entry, and lack of WAP-enabled devices, expensive data speed, and shortage of bandwidth. This paper sheds light on the M-Commerce, its applications, advantages, disadvantages and the growth of M-Commerce in India.

Introduction

Development of M-Commerce in India has seen a great upturn in these recent years. The major reason for the same can be contributed to fast adoption of the new technology, fast internet service and ease of access on one tap, tabs and smart mobile phone based applications. Mobile Commerce refers to wireless electronic commerce used for conducting commerce or business through a handy device like cellular phone or tablets. It is also said that it is the next generation wireless e-commerce that needs no wire and plug-in devices. Mobile commerce is usually called as 'm-Commerce' in which user can do any sort of transaction including buying and selling of the goods, asking any services, transferring the ownership or rights, transacting and transferring the money by accessing wireless internet service on the mobile handset itself. Presuming its wide potential reach all major mobile handset manufacturing companies are making WAP enabled smart phones and providing the maximum wireless internet and web facilities covering personal, official and commerce requirement to pave the way of m-commerce that would later be very fruitful for them. The major reason for the growth of M-commerce is the age bracket of young generation which is tech savvy, have money to spend and want everything done in some seconds. M-Commerce is E-

commerce on mobile phones. E-Commerce introduced Anytime online transactions and M-Commerce introduced Anytime Anywhere online transactions. 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.

M-commerce can be a huge success for the Indian market but this requires a complete ecosystem, partners must be synchronized so that the best benefits go to consumers and their confidence is assured. Although m-commerce market in India is in nascent stage, m-payment and m-banking segments have shown significant growth over the last few years.

Currently, users of m-commerce perform a wide variety of transactions via mobile from paying for utility bill and movie tickets to shopping and holidays. While the uptake of mobile payments is still gathering pace, services that are more accessible and easier to use are finding favor. For instance, Bharti Airtel and Axis Bank have a partnership for providing banking services through the Airtel Money platform. Similarly, Vodafone India has signed agreements with ICICI bank to launch mobile payment services. Such collaborations and partnerships are expected to grow and will support the market to grow.

M-commerce has several major advantages over its fixed counterparts because of its specific inbuilt characteristics such as personalization, flexibility, and distribution. Mobile commerce promises exceptional business, market potential and greater efficiency. In the current commerce industry, M-Commerce has been entered in finance, services, retails, tele-communication and information technology services. M-commerce seems attractive and convenient at first glance however, everything comes with several advantages and disadvantages, both. It is important to analyze advantages and disadvantages of m-commerce for consumers as well as companies. Some of the major advantages of m-commerce include convenience of use, reduce costs and increases personalization. On the other hand some of the major disadvantages of technology include small screen size of phones; apps are to be developed for each platform.

Advantages Of M-commerce

- **Convenience**: With just a few clicks on mobile devices, customers can already do shopping, banking; download media files and more than that. M-commerce also benefits retailers by many of their outstanding features compared with responsive website and mobile site. There is a large proportion of population using smart phones daily, especially in developed and developing countries. People are able to use mobile phones at every place to

use the services of e-commerce websites through the application provided by them. Majority of e-commerce giants have launched their mobile applications for the convenience of users. The small size and ease of use of mobile receivers, coupled with freedom from problems caused by infrastructure, makes for a higher degree of user convenience.

- **Flexible Accessibility**: User can be accessible via mobile devices and at the same time be accessible online too through logging on to various mobile messengers and other networking platforms. On the other hand, the user may also choose not to be accessible by shutting down his mobile device, which at times can be a good thing.

- **Easy Connectivity**: As long as the network signal is available, mobile devices can connect and do commerce transactions not only mobile to mobile but also mobile to other devices. No need for modem or WI-FI connectivity set up.

- **Personalization**: Each mobile device is usually dedicated to a specific user so that it is personal. Users can do whatever they want with their handheld devices: modify the wallpaper, change view settings or modify contact information as you send emails or e-payments. It also increases personalization of shopping as generally people are able to use their own phone to utilize m-commerce facility. Like usage of Facebook and Gmail, users are able to shop through their own mobile phones.

- **Time Efficient**: Doing M-commerce transactions do not require the users to plug anything like personal computer or wait for laptop to load.

- **Completely Customization:** The service provider has access to data about the user's preferences and status which facilitates better, personalized service. In addition, the service provider can be constantly updated about the current status and location of the customer so that the service can be customized; for instance, a request for a certain product can be met with the nearest possible source.

- **Quicker access:** Connecting through a mobile is faster than dial-up connections using wire line modems.

- **Electronic wallet:** Analysts believe that easy mobile payment is one of the main prerequisites for the success of M-commerce, when the mobile phone can function as an electronic wallet for mobile payments, including micropayments, application developers and service providers will find it attractive to introduce new mobile communication services to the market.

- **Cost Friendly:** M-commerce is also cost friendly for users because of the fact that mobile internet is generally cheaper as compared to internet services being used at laptops or computer through Wi-Fi connectivity or dongles etc.

Disadvantages of M-Commerce

Every invention has its own merits and demerits. It is applicable in this M-commerce business also.

- **Smartphone limitation:** Mobile has no big screen like desktop or laptops, so sometimes users tired to navigate more and more to choose just one item from thousands. It affects shopping rates. Smaller screen size and security concern generally lead consumers to opt for e-commerce over m-commerce. Screen size of smart phones is being increased by makers but it is sometimes inconvenient for users to analyze products on the basis of photos seen on small screens.

- **Habituate:** Every new technology has some problem at the starting phase. Here m-commerce is a new application, so sometimes people avoid changing which are rapidly changed. As they are habituated to buy products from ecommerce.

- **Risk factor:** Each business has its own risk. Same Mobile commerce is the growing field and a lot of investment in this field becomes risky. Because technology changes day by day. Moreover, there less security in the wireless network, so in data transfer hacking chances are more.

- **Connectivity:** Mobile commerce needs high-speed connectivity of 3G. Otherwise, it is become hectic for the user to go through entire product purchase process.

- **Wide range of Applications:** Disadvantage or the extra burden to be handled by companies includes the fact that there is a wide range of platforms in smart phones. Companies have to develop applications for all the platforms to cover market properly.

- **Probability of Fraud:** Another major issue for consumers is high probability of fraud. "Any one, good or bad, can easily start a business. And there are many bad sites which eat up customers' money. There is no guarantee of product quality. Mechanical failures can cause unpredictable effects on the total processes. As there is minimum chance of direct customer to company interactions, customer loyalty is always on a check."

Challenges To M-commerce In India

India is a developing country and there is huge potential for all sorts of businesses whether it is offline, ecommerce and m-commerce business. There are various factors that are in favour of M-commerce business in India such as there is a large proportion of young generation in the country that are interested in innovative ways of business like m-commerce, popularity of smart phones among people is rising and various domestic e-retailers are working hard to make consumers use mobile applications for placing orders from their portal. Despite of various factors working in favour of M-commerce in India, there are many challenges to be faced by business organizations.

Security is a big feature in consumers' mind while shopping online through mobile applications. There are risks associated with business whether it is offline or online, concepts of economics like demand, supply, market supply and competition etc. are always applicable on all sorts of businesses. Therefore, M-commerce is not a sure way of being successful in business activities.

Security: Increased number of cases of frauds due to hacking and theft of credentials of a user lead consumers to be concerned about security in m-commerce. Cash on delivery is a good option provided by portals to make consumers feel secure. However, cash on delivery especially for orders of significantly large amount leads to increase in risk for the service provider. Therefore, it is important for companies to ensure that consumers trust on their transaction system and feel free to carry out transaction. There are various security techniques and encryptions available to companies to ensure security. "GSM provides a relatively secure connection through the PIN (personal Identification Number) when turning on the handset. An authentication protocol between handset and the network through SSL encryption of voice and data is what the technology can do today and what the consumer has been led to expect."

Business Risks: Despite of huge potential for businesses in Indian market, it is important for companies to note that people are looking for innovative ideas and better deals over internet. Another factor against m-commerce is that, consumers are ambiguous about quality of products especially the products in groceries, cloths and footwear segment. One major factor behind this is the quality of product, people are able to check for quality of products at store, as per their wisdom and knowledge and then decide if they should buy product or not. Because of this reason, customers do not find shopping groceries online as a convenient way. Size of smart phones is increasing rapidly but still there are times when people are not able to observe and analyze products easily on mobile screen. Therefore, it is difficult for companies to convince consumers that they are going to get high quality products with lower prices as compared to deals provided at brick and mortar stores. Domestic e-commerce giants of India such as Flipkart and Snapdeal have launched their mobile applications to enable consumers get services through smart phones. Paytm is another leading company in m-commerce field. Companies are providing discounts and other types of offers for consumers ordering using mobile applications.

Future Perspectives Of M-commerce

After looking at various aspects regarding m-commerce and analyzing various pros and cons of M-commerce, it is important to see future perspectives of m-commerce. Advantages of m-commerce are expected to surpass the disadvantages and it is expected that m-commerce will be widely used for shopping, mobile recharges and DTH recharges etc. Technology is in initial phase and work is in progress to make transactions more secure. Smarts phones are very popular and are gaining much more popularity day by day. Convenience of "any time anywhere use" is greatest strength of M-commerce and people are accepting this innovative way of shopping.

Conclusion

M-commerce is the latest way of shopping being popular among large population. Day by day E-commerce and M-commerce playing very good role in online retail marketing and peoples using this technology day by day increasing all over the world. Mobile commerce involves all kind of electronic transactions by the use of mobile phone. M-commerce is the term for making business transactions using mobile devices. There are already several existing M-commerce applications and services nowadays that have been very helpful to us. Some are mobile banking, location maps, and variety of news, mobile shopping, ticketing and mobile file sharing. There are various advantages of M-commerce that are helping companies to adopt this route; also the convenience of its usage is attracting consumers. However, there are certain challenges to be faced by companies in convincing consumers about M-commerce's advantages and convenience. Overall, convenience of M-commerce is expected to surpass its little disadvantages and in future,M-commerce is expected to become much more popular.

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