An Overview of M-Commerce in India

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ABSTRACT: *The digital revolution sweeping the world today is being further fueled by fast paced innovations in electronic and wireless technologies. In the global economy, keeping track of technological advancement has become an arduous task as competing innovations continue happen, leading to a plethora of technology directions. Mobility is the new buzzword; and innovations in wireless technologies are the key divers. M-Commerce is frequently referred as 'subset of all Ecommerce'. M-Commerce means mobile commerce. The growth of Internet led digital economy will be directly beneficial, if users of mobile devices are able to access and transact on internet through mobile devices or personal digital assistants such as mobile phones and pagers. With 121 crore mobile phones, 45.5 crore smart phones, 56 crore internet users, 51% growth of e-commerce, many companies started using mobile for doing business; Financial sector, Telecom sector; Banking and Real Estate are some of the sectors using mobile commerce. This paper is intended to bring out the facts about the feasibility of m-commerce today its growth & the strength and opportunities, the weaknesses and threats lying ahead. This paper has been organized through the category in which, in the defining, services, advantages, issues, how m-commerce differ from e-commerce, finally, in the last part, the conclusions of this paper are presented.*

Key Words: *E-commerce, M-Commerce; Services; SWOT Analysis*

I. INTRODUCTION

In recent days, different types of systems are being applied for different application areas. Businesses and its strategies are ever changing with the advancement of time and technologies. Earlier, business strategies were based on **limited geographical reach** and scope for the growth. But because of **rapid advancements** in the Internet and communications technologies geographical boundaries are diminishing. While e-commerce continues to impact the global business environment profoundly, technologies and applications are beginning to focus more on **mobile computing** and the **wireless web**. Mobile technology is the most pervasive communications technology in the world. People live fuller, mobile lifestyles now a days. M-commerce is such a technology which offers a **new business opportunity** to enterprises and consumers within reach, even as barriers to its development fall away. M-commerce is subset of E-commerce, which includes E-commerce transaction carried out using a mobile device. M-commerce **market grows** rapidly now a days, the numbers of Smart phone users are **increasing regularly**.

II. DEFINITION OF M-COMMERCE

Mobile commerce is about **integration** of **wireless** networks accessed through handheld devices and internet. Mobile commerce can be defined as any **e-commerce activity** conducted over the **wireless network** through mobile devices. It is the exchange of information, G&S through the **use** of **mobile technology**. M- commerce is the buying and selling of G&S through wireless handheld devices such as cellular phones or Personal Digital Assistants (PDAs). M-commerce in essence utilizes mobile devices **connected** through the wireless network to simplify and implement daily economic activities such as **product searching**, **price determination**, negotiations, contracts, settlement, payment, and delivery/shipments. The very nature of mobile devices has made possible a variety of <u>**alert**</u> and **information services** such as **:**

- **Paying** for and **downloading** ring tones, mp3 music, news or information services.
- Receiving parking meter expiry, alerts on handheld devices and paying for additional parking time.
- Enquiring the airlines, train or dynamic bus arrival schedules.
- Enquiry, reservation, and purchase of airlines tickets through mobile wireless devices.
- Enquiring about stock market conditions and placing a stock purchase or sales order through the mobile devices.
- Receiving the location-specific information regarding restaurants, entertainment complexes through mobile device.

- Receiving location-specific advertisement and product discount coupons in the current neighborhood.

III. ADVATAGES OF M-COMMERCE

- It provides wider reach.
- It reduces transaction cost.
- It helps in streamline business processes.
- It offers competitive pricing.
- It reduces time to order.
- It is flexible to access.
- It is convenient to both buyer and seller.
- It helps companies to expand target audience.
- It increases productivity.
- It has instant connectivity.
- It is simple, more personalized, location-specific, and time-sensitive.

IV. ISSUES OF M-COMMERCE

- **M-Commerce** offers a limited screen size.
- Mobile devices have far lesser convenient user interface when compared to personal computers.
- Mobile devices also have limited computing power, memory and storage capacity.
- Mobile devices are unable to run and support complex applications.
- Wireless networks use of limited spectrum, regulatory bodies control the spectrum.
- The atmospheric interference and fading of signals in wireless channels causes frequent data errors and sometimes even disconnection. A disconnection in middle of a financial transaction can leave the user **unsure** and **distrustful.**
- **Authentication** of mobile devices prior to carrying out any transaction is a major issue.
- The disconnection and hands-off issue pose additional problems in trying to maintain the identity of the mobile device and authentication of it being in order.

V. HOW IT IS DIFFERENT FROM E-COMMERCE

M-Commerce	E-Commerce
It uses mobile devices for commercial transactions.	It uses computers for commercial transactions.
It is not limited to location specific. It is available anyplace you go, even if there is no internet.	It needs to go to a place where there is internet to access your online transactions.
It is very handy and easy to carry.	It is not easy to always carry your computers or laptop anywhere.
It is always reliable and easy to access.	It is not always reliable and easy to access.
It is charged through the caller' rate, deduction of user's credit, and mobile banking.	It is charged through the use of credit cards that are swiped in credit card machines or through on the internet using your credit card number.
It allows businesses to reach consumers relatively faster.	It allows businesses to reach consumers relatively slower.
It is costly as compared to e-commerce.	It is economical and low priced.

VI. SWOT MATRIX

SWOT Analysis is a strategic planning method used to **evaluate** the Strengths, Weaknesses, Opportunities, and Threats involved in a project or in a business venture. It identifies the internal and external factors that are favorable and unfavorable to achieving that objective.

Strengths	Weaknesses
• Innovative Business Models • Consumer adoption • High Speed Internet Connectivity and • Second world citizens communicate easily without geographical limitations	• In Long-term, lack of interoperability and higher operating costs • Limited Memory • Limited computational power • Antivirus solutions are difficult to implement
Opportunities	**Threats**
• M-Commerce Security & Privacy Risks	• Risk related to theft of mobile device

• Wireless User Infrastructure Security Risks • Mobile Viruses can spread attacks quickly through the network • Multiple means of infection	• No Privacy of data • Small screen size of mobile terminals • No standards for M-commerce

VII. CONCLUSION

The past decade was marked with an unprecedented growth in the number of mobile phone subscribers. The voice only mobile phone network acquired **data transmission capability** and devices are able to handle multimedia content with **ease today**. Improvements in the available bandwidth for accessing the digital content has provided and **added a new dimension** to the online digital marketplace, and has given rise to the phenomenon commonly referred to as mobile commerce. In this paper, we discussed the reasons for growth of mobile commerce and the issues that still need to be scaled in order to realize the full potential of e-commerce. As mobile commerce builds further on e-commerce in addition to creating newer opportunities. Mobile commerce offers a greater deal of **flexibility** in accessing the information through **personalized** mobile **environment**. M-commerce offers better opportunity for personalization of information and delivery of content that is relevant to the mobile user. The mobile user can **transmit** the profile of services it is interested in at the moment. M-commerce can utilize mobile device itself for payment purposes, and payments made on the device can appear as part of phone bills. M-commerce opens the door to a slew of new applications and services.

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