Future prospects of M-commerce in Indian context: A Review

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Abstract- **Modern E- Commerce technique have decreased the gap between the rich and poor nations, between the North and the South, and also within nations. Online trading plays an important role in India's development, but the frequent use of e-commerce in our nation is still far away. At the national level, the computerization of the reservation system, banking system, trading etc. are notable examples of Indian successes. With the use of the internet trading in local languages is also possible, which has made online trading more easier.**

Now a-days the use of e-commerce has become easier as m-commerce has played a main role in the growth of e-commerce in India. Online shopping through different b2c website on a mobile is termed as m-commerce. With the increase in the use of smart phone by youngsters has promoted the m-commerce in developing India.

Keywords: E-Commerce, M-commerce, Smart phones, Transaction.

I. INTRODUCTION:

For a developing country like India, one of the most important benefits of e-commerce is its potential which helps in developing rural community to get at the knowledge of paradigm. Most of the gadgets such as smart phones, tablets, notebook, etc. are used to remove the barrier to pop up with the opportunities for the commercial activities to expand more rapidly. It is encouraging the use of internet on a large scale which is also promoting the e-commerce to be explored as M-commerce. In light of the potential impact of e-commerce on our rural community, a final category of issues can be seen as focusing more directly on the benefits to be gained from e-commerce, particularly the benefits that developing countries might achieve with successful strategies [1,2].

M-commerce in India

The electronic commerce activity conducted through mobile devices such as smart phones, tablet PCs, etc. is called m-commerce it includes both B2B and B2C e-commerce transaction.

Buying and selling of goods and services connected through wireless networks through mobile devices, such as – mobile phones, tablet PCs etc. is called m-commerce. Wireless networks like 3G, GPRS, GSM, and CDMA have enabled the Indian Mobile Users to access internet on mobile devices. Mobile Device Users in India get access to the data and information stored on servers through Mobile Internet [3] [4] [5].

Mcommerce is the use of mobile services to interact and transact. Mcommerce is frequently referred as 'subset of all Ecommerce'; hence while talking about Ecommerce, we cannot ignore the importance of mcommerce in India. In India, there are total 12.45% of mobile subscribers, as compared to the Broadband subscriber penetration of 0.2%, and the Internet user penetration of 2.6%. There is widespread penetration of Mobile commerce in India. Mobile Commerce has enabled Indians to execute transactions at the touch of a screen. Mobile commerce relates to connecting people through wireless networks without the need of computers or laptops [3].Mobile subscribers can get access to the Internet immediately without any plug in. Mcommerce is rapidly becoming an easy and affordable channel for reaching and attracting the customers [6,7].

II. LIST OF M-COMMERCE COMPANIES IN INDIA

Online Stores
- m.ebay.in
- m.flipkart.com
- m.jabong.com
- m.yepme.com

Mobile Banking
- m.hdfcbank.com
- m.icicibank.com
- m.onlinesbi.com
- m.axisbank.com

Online Travel
- m.makemytrip.com

III. BENEFITS OF M-COMMERCE

As e-commerce is booming in India, similarly m-commerce has also stepped forward to lead the world by following the e-commerce path. With the development of different websites and apps supporting online shopping, m-commerce has realized how prominent this platform is. It is

quite possible for m-commerce to become even bigger than e-commerce, because of the reasons mentioned below:-

1. Affordability of mobile devices

Now a-days buying a smart phone or tablets are becoming cheaper than buying the desktop or laptops. Even smart phone which are not much costly contain all the features which users need to perform shopping.

2. Doing things on the go

Shopping, Booking tickets, making hotel reservations, etc. has become so easier as a person can present anytime anywhere to perform this task. And in India, all required fast processing. One doesn't need to wait to reach home or to a cyber cafe to pay bills or make an urgent purchase online.

3. Mobile Internet connectivity

Mobile are provided with the WiFi facility as well as internet coupons are available to shop anytime anywhere. Even though e-commerce has spread its roots throughout the country, it still hasn't reached the places where people have no broadband or no computer. M-commerce could and will change this.

4. Mobile Payments

Mobile Payments is a new mode of payment as an alternative to traditional methods like cash, check, credit cards, etc. A customer can use a mobile phone to transfer money or to pay for goods and services. This could aid in reducing cash-dependencies of people, particularly in rural India.

5. Security

Mobile platforms are still relatively free from viruses and other threats. And even in case of a fraudulent activity, credit tracking of GSM/GPRS/GPS is easy and quick. Also, seldom do people part of their phones, so there are less chances of misuse of login information that may happen to computer systems.

6. Bridging the gap between eCommerce and conventional stores

In case of a traditional store great chain of the dealer and seller are involved which lead to the increase in the price of the product. The similar product will be present in low price as the chain will not be present in shopping. Similarly the shipping of goods on mobile at any remote location or by using a desktop at fix location increases the price quantity [8].

7. Greater target audience for advertisements

The problem with online advertising is that people have to be 'online' to view it. Several e-commerce players in India have come out with TV commercials to advertise their websites. However, mobile is a better platform to do the same.

8. Personalisation

In a true sense Personal Computers are not really personal. Desktops and even laptops are shared by multiple people living in the same family or working together in an office. However the same isn't true in the case of cell phones [8].

IV. CHALLENGES IN M-COMMERCE

1. Security

The important part in M-commerce is security of the handset which user is using which is mainly provided by the PIN (personal Identification Number) provided to each handset when it is turned on. On GSM phone, an authentication protocol between the handset and network through SSL encryption of voice and data is also provided but it is not enough to convince people. In order to get the confidence of critical mass of consumers, more are expected in the field of security [9], [10] It is possible to run a variety of applications on a single small SIM card.

2. Business

The phone set deals with both wireless and wired networks, thus expanding business in both cases will be great problem. These include creative thinking, seasoned business skills, a deep understanding of technology and technical issues in both telecommunications and information systems, an understanding of how all this will evolve, and well-honed skills in design and branding [10].

V. RECENT M-COMMERCE DEVELOPMENTS IN INDIA

- Vodafone teamed up with ICICI bank for M-pesa.

- Airtel Tied up with HDFC Bank and Axis Bank for Airtel Money.

- E-commerce companies such as flipkart, Gabon, yepme have launched a mobile version of their websites.

- Banking companies such as HDGC bank, ICICI Bank, State Bank of India have introduced Mobile version of their website.

VI. FUTURE OF M-COMMERCE

- Mobile Users have high expectations from Mobile Web World as they want the mobile websites to load as faster as the desktop website.

- Mobile Internet in India has become more secure and faster. M-commerce in India is likely to do better than e-commerce as a choice for digital commerce transactions.

- In Urban India there are more than 27 Million Smart Phones Users. Out of which more than 50% of

the Smart Phone users in India search for local information over Mobile Internet [7] [11].

VII. LIMITATION OF MOBILE DEVICES

Tablet PCs, Smart phones etc. are the commonly used mobile devices. The small screen size is a great handicap for browsing users and graphic users. The small size of the device limits the use of powerful hardware and display interfaces. Mobile devices have limited memory and storage capacity. As a result, Mobile devices fail to support complex applications.

CONCLUSION

The mobile Internet has opened up new possibilities for the business. Telecommunications industry and the business world are seeing m-commerce as a main focus for the future. There is a big difference between what the technology can do today and what the consumer has been led to expect.

The introduction of faster Mobile Internet technologies such as 4G , 3G and improved security, such as firewalls, SSL, data encryption techniques have resulted in the rapid growth of M-commerce in India. M-commerce players will need to move fast to improve the user interface and offer innovative pricing structures. Despite so many downfalls in the past, mobile applications are becoming an important part in our lives. Mobile Commerce is the Next Big Thing in the world of Indian Web Commerce.

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