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Impact And Growth Of Mobile Commerce In India

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ABSTRACT

In recent days, immense growth of wireless technology in India. This development has changed people to do business in mobile commerce (M-Commerce). Day by day many people are transferring to M-Commerce to attain good and fast transaction into market. M-Commerce becomes distinguished in Indian people, quickly during last few years. Due to large number of mobile application, growth rate in mobile penetration in India is increasing day by day. The users has intensely increased on mobile phone and consuming bandwidth of internet providers. Even though many people have started E-Commerce but still they hesitate to use M-Commerce because of security problems, payment issues and complexity of mobile applications'-commerce helps in improving relationship with customer and provide helpful environment to do business transactions and business online. M-commerce is a term that is used to refer to the rising practice of conducting financial activities with the use of a wireless handheld device. This article about the feasibility of M-Commerce in India today its growth and the Strength and opportunity, weakness and threats lying ahead.

Key words: M-Commerce, Growth Factors, Applications.

INTRODUCTION

M-commerce first of all we understand what commerce is. Because time has changed and according to time definition of commerce also has been changed. Simply Commerce is Exchange of goods or services usually on a small and large scale from place to place or across city, state, or national boundaries. In traditional commerce People can buy things easily but they face some problems like distance, time availability, not safe payments mode and cost difference. But after change in technology and environments in business strategy people think about it and overcome from these problems with the E-commerce. The number of Internet users around the world has been gradually increasing and this growth has provided opportunities for global and regional e-commerce. E-commerce provides multiple benefits to the consumers in form of availability of goods at lower cost, wider choice and saves time it also elimination of paperwork and bureaucracy and provide online services such as banking, ticketing including airlines, bus, railways, bill payments, hotel booking etc. People do business online with the help of internet on the desktop, laptop tablets etc. online business changed a fully life style. People become more active. But people's need increased day by day and they want more convenient way for doing business and finally technology provide new opportunity in the form of M-commerce.

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DEFINITION OF M-COMMERCE

M-commerce refers to a wide range of online business transactions for applications, goods and services. The use of mobile devices to communicate, interact via an always-on high-speed connection to the Internet. M-Commerce is the utilize of information and communication technologies for the use of mobile integration of different value chains in business processes and business relationships. Mobile Commerce is the use of mobile handheld devices to communicate, inform transact and entertain using text and data via a connection to public and private networks.

Table: 1 - INTERNET USERS IN INDIA -2018

Area	Internet Users	
	Male	Female
Rural	64%	36%
Urban	73.5%	26.5%

Source: Internet and Mobile Association of India (IAMAI) – June 2018

According to an IAMAI, there are 500 million internet users in June 2018, out of 500 million users 350 million users are male and 150 million users are female. Table 1 shows the percentage of internet users in rural and urban area, 120 million male internet users representing 64% and 67 million female users representing 36% are in rural area and 230 million representing 73.5% male internet users and 83 million female representing 26.5% are in urban area. The article 'Mobile Internet in India 2017' stated that, 'young students are the most prolific users of most services'.

Table: 2 – TREND IN INTERNET PENETRATION IN INDIA

YEAR	INTERNET PENETRATION
2006	2% (40 Million Users)
2009	4% (80 Million Users)
2010	7% (100 Million Users)
2015	22% (277 Million Users)
2016	27% (405 Million Users)
2017	32% (475 Million Users)
2018	35% (500 Million Users)

Source: Internet and Mobile Association of India (IAMAI) – June 2018

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Table – 2 exhibits the internet penetration in India, year on the number of internet users are increasing. The internet penetration is 2 per cent representing 40 million users in the year 2006 and in the year 2018 it increased to 35 per cent representing 500 million. According to the report published by Kantar IMRB, the overall Internet penetration is 35 percent of the total population.

OBJECTIVES OF THE STUDY

- To study the impact of M-commerce
- To identify the benefit and features of M-commerce
- To state the problems and issues of M-commerce industry.

RIVIEW OF LITERATURE

The review of literature focuses upon the M-commerce meaning, benefit and drawbacks.

K.S. Sanjay (2007) states that, Mobile hand held technology is less cost included and also provides a better flexibility and effectiveness to its users. M-commerce is also a subset of E-commerce, but the difference lies that M-commerce uses wireless technology. So it gives flexible and convenient experience.

Tandon, M-commerce has explored and presented the possible problems in mobile commerce. They had tried to bring out the possible benefits and issues associated with this wireless technology. Many wireless technologies have been discussed in the paper.

Paul Budde's paper, "Australia -Mobile Data - Mobile commerce and M-Payment", communication expert, provides the overview of mobile commerce in the Australia and identifies the impact factor that will be important for the future of the market transaction.

G.T. Thampi, The M-commerce is the branch of Ecommerce technology, in short we can say that, e-commerce transaction carried out using a mobile hand held devices. Nowadays online is the part of our daily life for communication, business transaction and market transaction, but India is a country of many different languages, only 4% of people know very well about the English Language. If M-commerce uses local language, this will not only ensure quickly adoption by the customers but also will be an instant success.

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M-COMMERCE GROWTH FACTORS

The following factors that are driving customers towards the mobile devices rather than the desktop in these regions are:-

SPEED

M-commerce through mobile phones is becoming very fast and easier every day. It gives instant satisfaction for customers and allows business to create urgency and drive sales through the use of short term discounts.

SECURITY

All the transaction made by M-commerce technology is completely safe and secure. E-payment allows a fully interactive experience that can encourage business in between businesses and their customers.

INNOVATION

M-commerce gives new applications and creative mobile payment solutions. In a rapidly development market, it is an important to innovate as it is to simply keep pace with development elsewhere.

AFFORDABILITY

With Android devices ruling the mobile technology in India, many people even with low income is able to afford a smart phone, which is then used as an internet device. According to IAMAI, 65 per cent of internet user is e-commerce customers.

ACCESSIBILITY:

The retail outlets of big brands in Tier 2 and 3 cities are not much in existence. Hence, the online marketplace had become the gateway for many youngsters who want to buy their favorite brands of jeans and T-shirts.

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DIFFERENT MOBILE APPLICATIONS AVAILABLE IN THE MARKET

Travel & Ticketing:

Now-a-days, ticketing has become easy and m-ticketing railway, roads or air. Now, the official mobile application is launched by railway to facilitate customers which help in checking them booking, their timing schedule etc. Even some road transporters providing the facility of latest mobile apps for online booking of their tickets.

E-Auction:

It is bidding mechanism which is electronically implemented. In this no physical transportation is to be made until the deal has been finalized by the buyer and its supplier. So, it is helpful to provide benefit to both theparties by saving their time and increase their efficiency.

M-Shopping:

Mobile shopping is another booming sector which came into existence after the successful introduction and growth of online shopping. It is easy to port/carry from one place to another so people prefer it more than computer and like to get goods and services by usingsmart phones.

Mobile vouchers, coupons and loyalty Cards:

Mobile technology can also be used for doing virtual token transaction of vouchers, coupons and loyalty cards through smart phones. If a token is to new provided by supplier to one customer at one point of sale with mobile phone then it is beneficial same way as one who has loyalty card.

Information service:

Same as the desktop services regarding information, mobile phones play an important in providing wide variety of information services like : -

- ❖ Stock Data
- ❖ Traffic data information
- ❖ News
- ❖ Sport score
- ❖ Financial record etc.
- ❖ Multicasting system can be suited by that mobile equipment which are more bandwidth-intensive.

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PROBLEMS OF M-COMMERCE

Growth of mobile commerce in India is about 2% but we can able to increase this growth level if we take some appropriate steps for making some relevant policies and make factors more favorable for mobile commerce growth . Various types of challenges arte faced by M-commerce.

- ✓ Wireless network coverage
- ✓ Security issues
- ✓ Technical mismatching among various devices (Wireless)
- ✓ Lack of standard etc.
- ✓ Slow access speed
- ✓ High cost of phones

There are the some issues which directly or indirectly affects the growth of M-commerce adversely. Many of the challenges faced by M-commerce are as follows;

Lack of awareness:

Most of the people of India even do not know what they have with them and how to make the best use of it. Even some of them feeling insecure while doing transaction through smart phone

Low Internet Connectivity (2G, 3G):

It is acceptable that the as the use of internet facility increases with increase in the trend of using smart phone the rate of using 3 G is going downward. Even though the services of 3G & 2G is not same by the each service provider.

Lake of Simple, standardized payment Mechanism:

Like ATM or credit card no other mode of payment is become popular in India. As they are easy to make payment than other mode so, it creates a problem for growing M-commerce in doing financial transaction even though "Mobile Wallets" concept is there.

Imbalance between service providers & network providers:

In the Present days situation there are so munch small service providers. Who are facing problem of dependency on other for provides their services to the customer/user at right time with

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relevant speed and this dependency become negative when there is gap between the large network operators & small service providers. As network operators interest is to attract large number of buyers rather than to increase the charge per subscriber to earn more.

Heterogeneous Environment:

A wide range of development of applications is the great challenge for every service provider. Multiple operating systems with multiple browsers are available for mobile users but in case of PC's only two are application looks different on different screen & than it become a great challenge.

Lack of high speed connection:

To access information, high speed network is required. In India, the 3G network with higher speed is not reached yet.

Security:

Fear of hacking and attack by viruses to the device is commonly seen in the user. Even while doing some transaction users lost their money and get nothing. So, security system is a challenge.

Privacy:

Fear of hacking the security of user as sometimes users need to disclose some secret information while doing monetary transactions if information get hacked then it cause great problem to the user. So, it is also a great challenge while doing transaction.

CONCLUSION

This research paper shows that M-commerce is rapidly growing in Indian business market in spite of its positive and negative impact. The reason for this is the easy availability of smartphones, with the help of this, people have got the freedom to do almost every aspect of business from browsing the new products, adding it to cart and making the payment in just few clicks. M-commerce as game changer in the future online market. Application and wireless technology promise to develop together. The opportunity is much beyond mobile bills payment and includes all types of transaction including payment gateway technologies and all types of Other business transaction. The enhance 3G, 4G penetration have opened up new possibilities on

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M-commerce. Many network and mobile device related problems like slow communication speed and connectivity where addressed by mobile operators. At last but not least, we conclude that M-commerce technology is not new in Indian business market, because of there are so many challenges, problems hurdles and obstacles in the front of industry, which can be manages for better growth of Indian industry.

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