



A STUDY OF M-COMMERCE IN INDIA

KEYWORDS

M-commerce, E-commerce

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ABSTRACT M-commerce means substitute of goods in excess of the internet through the use of mobile phones or m-commerce is about the explosion of applications and services that are becoming accessible from internet enabled mobile devices it involves new technologies, services and business models. The object of this paper is to focus m-commerce status in India and also find out future direction of m-commerce. The significant growth of m-commerce application is remarkable in India. In present situation the numbers of users has increase on mobile phone and consuming huge bandwidth of mobile internet providers. Through this paper identify the issue for the future growth of E-commerce trend M-commerce with its present volume transaction in India, and identify critical challenges of m-commerce would become for present scenario in India.

INTRODUCTION

M-commerce can be defined as "any transaction having a monetary value that can be conducted through mobile communication network or Wi-Fi network". Businesses to consumer transaction conducted from mobile devices are also known as m-commerce.

Presently mobile phones are not use for sending messages or calling but it is also used for many other sectors. It is used to buy tickets, paying insurance premium, buying gifts and recharging mobile accounts. All big companies in India Started using mobile for doing business, Financial sector, telecom sector, Banking and real estate one some of the sector using mobile commerce. M-commerce is rapidly overtaking E-commerce as the facto mode for online transactions. Myntra, the leading fashion retailer in India, has already announced its plans to become a mobile only market place by the end of the year. Snapdeal declared that 65% of their orders come from mobile. And by the end of the year Flipkart is the largest e-commerce company in India. E-commerce merchants are left with no choice but to embrace mobile in India. 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. 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. Mobile commerce adoption has increased significantly in the country due to multiple factors such as enhanced 3G Penetration and availability of affordable smart phones. India is expected to have close to 165 million mobile internet users by march 2014, up from 87.1 million in December 2012 as more people are accessing the web through mobile devices and tablets. It is being said that, in the next three years mobile commerce will constitute more than 25 percent of the total traffic in e-retailing. mobile commerce market in India to grow at pace of 71% over the period 2012-2016. M-commerce is the extension of E-commerce.

E-COMMERCE

E-commerce normally means as transaction conducted over the internet. E-commerce is conducting business over internet and E-retailing is a part of internet. E-commerce also includes many other activities, such as business trading with other business and internal processes that companies use to support their purchasing, selling, hiring, planning and other activities. It simple means as E-commerce includes buying, selling, and hiring a particular product or services. The rapid growth of mobile telephone has provided a foundation for M-commerce namely E-commerce activities used by mobile device, such as a cell phone it is called M-commerce. The next generation of E-commerce would most probably be mobile commerce or M-

commerce.

BENEFITS OF M-COMMERCE IN INDIA

M-commerce helps to works easily and efficiently in life schedule. Its benefits are as follows:-

1. Easily used- presently websites are being designed so much user friendly. Its show search option helps consumers to find more easily and rapidly for a particular product. Different classification of products variety helps for consumers to choose more exclusively between products.
2. Secure transaction: - M-commerce also gives an assurance of secure transactions for the transaction, confirmation code is sent to the email and mobile phone. And after filling this code the transaction will be processed, so that changes of wrong transactions are very less and unsecure transition can be eliminated.
3. Easy to hold :- mobile device is easy to hold by user, it helps to avoid ser to go physically to any particulars shop as well as it also help to user for avoid once of use of computer.
4. Mobile commerce will play a crucial role of bridging the gape between sellers and customers. E-commerce and mobile commerce are not only frontier for doing global business and trade but also offers multiple benefits to the business, government and consumers on massive scale. Indian companies are doing business using E-commerce and also are adopting M-commerce for doing business.



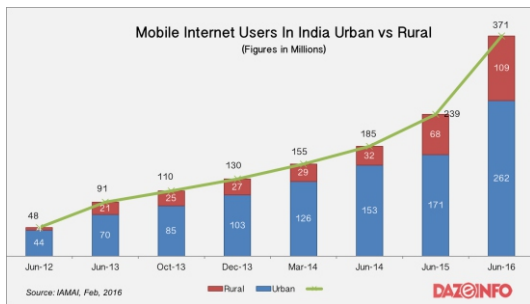
CHALLENGES

M-commerce is a subset of E-commerce; it also faces some of the challenges of E-commerce. Like India has unbanked population, lack of networking problem in rural area. The challenges of M-commerce in India are listed as below:-

1. Limited internet access among customers, lack of awareness about services and security among customers.
2. High speed bandwidth Internet connection not available to most customers at an affordable rate.
3. Lack of penetration of advance mobile in rural area.
4. Language barrier:- In India, mostly people are not aware about the English language or not so good in English language .language becomes one of the major factor to purchase, hire and sell a particular product or services.
5. Less graphic resolutions: - In comparison to computer, laptop, mobile devices are still less graphic resolutions for that reason consumers are least interested to buy a particular product.

STATUS OF E-COMMERCE AND M-COMMERCE IN INDIA

People use internet for various purpose which includes email, academic and financial information search, music and video on internet, chatting, online job search, gaming online banking. E-commerce has touched every field to of human life. From entertainment, job search to matrimonial sites, India has day by day increase in the number of internet users. The future of e-commerce is M-commerce. It will redefine the way consumer find, shop and pay. M-commerce is rapidly overtaken. E-commerce as de facto mode online transactions with over 50% of total online orders coming from mobiles, there is little doubt that by end of 2015 transaction from mobile devices will far eclipse those from desktops.



Future growth of m commerce

This paper is mainly focuses upon M-commerce benefits and hurdles in India. M commerce industry, it helps to understand that what problems are being faced to start the M-commerce business. Government to analysis those factors which are responsible for growth of m commerce business in India and how these factors can be enlarged by making rules and regulations for development of m commerce industry as well as development of nation. As we all knows mobile devices are becoming a part of our daily life, people use internet for various purposes.

DEMONETIZATION TO HELP M COMMERCE GROWTH IN INDIA

M-commerce accounts for nearly 60% of online sales in the country on the back of 30 to 50% growth in online transaction in the tier II and

tier III cities. Demonetization is a good for the m commerce industry in India and most of the retail commerce will shift to mobile in the near future. Mobile commerce is going to be more widely adopted by merchants because customers are claiming for the convenience, to reduce customer friction and sell more through the mobile channels. The current Indian market size for m-wallet stands at about rs. 350 crore is estimated to rise to rs. 1210 crore by 2019. Smart phones are in emerging point of purchase and to address the demand from upcountry markets and changing consumer shopping pattern.

Total Retail and Retail Ecommerce* Sales in India, 2013-2018

billions, % change and % of total retail sales

	2013	2014	2015	2016	2017	2018
Total retail sales	\$635.25	\$717.83	\$818.33	\$941.08	\$1,082.24	\$1,244.58
—% change	10.0%	13.0%	14.0%	15.0%	15.0%	15.0%
Retail ecommerce* sales	\$3.59	\$5.30	\$7.69	\$10.68	\$14.18	\$17.52
—% change	55.6%	47.6%	45.2%	38.9%	32.8%	23.5%
—% of total retail sales	0.6%	0.7%	0.9%	1.1%	1.3%	1.4%

Note: converted at the exchange rate of US\$1=INR58.52; excludes travel and event tickets; *includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment
Source: eMarketer, Dec 2014

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www.eMarketer.com

The growth in m commerce has been fuelled by the availability of affordable smart phones and mobile data plans. Mobile internet user base in India has increased to 371 million in 2016 and the user base is expected to annually grow by 50 million till 2019. The current online shoppers are range of 80-100 million and expected to increase to 175-220 million by 2020.

CONCLUSION

Indian government get essential steps to improve M-commerce in India like building of infrastructure to improve internet connectivity ,they had to start campaigns for m commerce knowledge .still there is a lot of works which can be done for m commerce for its growth. M commerce markets grow in India due to growth of financial area and number of smart phones buyer are increasing. M=-commerce is provided online shopping, online billing, online purchasing, etc. and it is related to electronic market where provide user friendly environment.

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