

M-Commerce in India: A Coherent Vision

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Abstract

E-Commerce and thereafter M-Commerce jointly have opened the floodgate of modern business world and changed the business landscape to a large extent. With the customers behavioural changes and the technological development, online shopping, online booking, online fund transfer, online bill payment and so on are getting much importance in recent days in the society. E-Commerce, conducted on desktops and/or laptops with internet, is the mother of M-Commerce conducted on mobile devices, mobile applications using internet. Though there are many drawbacks associated with the M-Commerce, with its huge benefits, it can be able to replace E-Commerce gradually in coming days and will likely to be the mainstream of future online business in India. This paper aims at throwing light on multidimensional aspects and future prospects of M-Commerce in India.

Key words: E-Commerce, M-Commerce, Online Transaction, Smartphone.

Introduction

Modern age is the age of internet and in this internet age, the consumers mainly the youngsters" between 15-35 years of age profile are net savvy. They prefer new type of experience in regard to shopping and other related transactions through desktops, laptops, android based mobile phones with internet connectivity to mitigate their excessive workload. Without travelling to the physical market place, they can fulfill their dream with the help of online transactions. Firstly E-Commerce and after that along with it M-Commerce have been offering the opportunity of online transactions. Presently, M-Commerce in India has become a buzzword and as a result, the transformation from E-Commerce to M-Commerce is very much significant.

1. Objectives of the Study
2. To express the basic concept of M-Commerce.
3. To highlight the favourable as well as unfavourable aspects of M-Commerce in India.

4. To display the Indian scenario of M-Commerce.
5. To suggest some measures to overcome the barriers of M-Commerce in India.

Methodology used for the Study

This paper is prepared using the secondary data available in various Journals, Articles and Web Resources. Some tables are used to display the concerned information.

Basic Concept of M-Commerce

Over the last decade, due to the penetration of internet service and technological advancement, Electronic Commerce popularly known as E-Commerce has been becoming a booming industry in India and has given birth of Mobile Commerce popularly known as M-Commerce. In E-Commerce, transactions are executed through desktops, laptops with internet connectivity. But in M-Commerce, the same is accomplished through mobile devices, mobile apps with internet connectivity. So, M-Commerce is nothing but the E-Commerce conducted through mobile phones with internet facility. M-Commerce means wireless electronic commerce which is utilized for accomplishing various types of transactions like purchase and sales of goods and services, transfer of funds, bill payment etc with the help of handy devices like internet-enabled cellular phones or tablets. M-Commerce plays a significant role in day-to-day life now (Narware, Archana M., 2016). Rapid increase in the number of internet as well as Smartphone users leads to the exponential growth of M-Commerce sector in India. In the recent days, not only for call purpose, but also for online shopping, playing games, downloading content, and surfing internet and so on, android based mobile phones are being used massively. A sea-change growth of Smartphone market in India is now changing the overall landscape of commerce and business (Singh Saurabh and Islam Jamid UI, 2015).

Favourable Aspects of M-Commerce in India

1.Shortening Distance: 'The whole world in one's grip' is the blessing of mobile world. In the daily life of the people, mobile device is essential which can make it possible to shortening the distance between sellers and buyers residing at a farthest place.

2.Easy to Carry and Simple to Access: The thin and small mobile device can be carried easily everywhere. For online transactions, mobile device is very simple to access.

3. Saving Time and Money: Without going to physical market place, the transactions can be executed smoothly. This action saves the time as well as money for travelling.

4. Ensuring Better Transaction: Before executing final transaction, the customers can make enquiry for various items extensively, compare their quality, cost, time and place of delivery, mode of payment etc by using mobile applications.

5. Providing M-Payment Facility: M-Payment method makes it possible to carry out the transaction without third party payment. A mobile wallet and use of a prepaid account may be maintained by the customer for purchasing.

6. Designing Friendly Website: Website designed by companies using M-Commerce is user friendly which is helpful to the consumers to search products, services and other information in a relaxed way.

Unfavourable Aspects of M-Commerce in India

1. Small Mobile Screen: Due to very small screen of mobile device, it is not feasible to search more contents in one display. Eye-catching images of the products cannot be accurately displayed which leads to low interest of consumers regarding M-Commerce.

2. Privacy and Security Aspects: Privacy and security matters also hamper M-Commerce business as the people are very much aware of sharing their personal information due to the activities of hackers.

3. Language Problem: Most of the Indian people, especially in rural India, are not still very much familiar with English language which makes online transaction difficult.

4. Illiteracy and Ignorance: Illiteracy and ignorance of the mass of people relating to internet as well as M-Commerce are also big barriers in India.

5. Low Speed and Poor Connectivity of Internet: Low speed and poor connectivity of internet are other problems which stand in the way of growth of M-Commerce in India.

6. Configuration Barrier: Sometimes, configuration of mobile device cannot be compatible with mobile app. This barrier lacks the installation and thereby use of mobile app.

Indian Scenario of M-Commerce

In 1995, internet service was first introduced in India and though to reach first 100 million users, it took more than two decades but next 100 million in 3 years and third in less than 1 year (Singh Saurabh and Islam Jamid UI, 2015) and thereby at present,

India ranks 2nd in internet users behind China due to Jio service. In case of Smartphone market in the world, India has crossed USA and become 2nd largest country after China in July-September quarter, 2018 as per the Report of Research Firm Canals.

Table: 1 Internet Subscribers in India (in millions)

At the end of March	Total	Urban	Rural
2015	302.36	194.80	107.56
2016	342.65	230.71	111.94
2017	422.20	285.68	136.52
2018	493.96	348.13	145.83

(Source: Telecom Statistics, India-2018)

Table: 1 shows that the number of internet subscribers 302.36 million during the end of March, 2015 has increased to 493.96 million at the end of March, 2018 which indicates 63.37% growth. The number of urban as well as rural subscribers says, 194.80 and 107.56 million respectively at the end of March, 2015 has also gone up to 348.13 and 145.83 million respectively during the end of March, 2018. The growth rate of rural India is 35.58% and that of urban India is 78.71% which is more than double as compared to rural internet subscribers.

Table: 2 Numbers of Mobile Subscribers in India

At the end of March	Number of Mobile Phone Subscribers (in millions)
2011	811.60
2012	919.18
2013	867.81
2014	904.52
2015	969.54
2016	1034.11
2017	1170.59
2018	1188.99

(Source: Telecom Statistics, India-2018)

Table: 2 depicts that the number of mobile phone subscribers 811.60 million at the end of March, 2011 has risen to 1188.99 million at the end of March, 2018 which professes 46.50% growth.

Table: 3 Smartphone Users in India

Year	Smartphone Users (in millions)
2015	199.08
2016	251.79
2017	299.24
2018*	339.95
2019*	373.88
2020*	401.74
2021*	424.17
2022*	442.50

(Source: <https://www.statista.com/statistics/467163/forecast-of-smartphone-users-in-india>)

Table: 3 describes that 199.08 million Smartphone users in 2015 are projected to reach 442.50 million during 2022, claiming more than 100% growth.

Table: 4 Retail M-Commerce Sales in India

Year	Revenue (in billion US dollars)
2015	6.02
2016	10.46
2017	16.81
2018*	23.64
2019*	30.20
2020*	37.96

Table: 4 highlight the scenario of the retail M-Commerce revenue during 2015 to 2020 in India. During 2015, retail M-Commerce sales in India say, 6.02 billion US dollars are estimated to raise to 37.96 billion US dollars in 2020, signifying more than 6 times.

Findings of the Study

1. M-Commerce in India has a lot of favourable sides.
2. M-Commerce in India faces a number of hindrances also.
3. An upward trend is observed in case of internet subscribers, mobile phone subscribers and Smartphone users in India.
4. The number of rural internet subscribers is much lesser than that of urban subscribers.
5. An increasing trend is also noticed as regard to retail M-Commerce sales in India.

Suggestions

1. Privacy and security concerned with M-Commerce business should be taken care of.
2. More and more people should be internet educated.
3. Language of website should be lucid to understand.
4. High internet speed and strong connectivity must be ensured.

Conclusion

E-Commerce Industry has provided the platform for M-Commerce and in the ensuing years; E-Commerce will be replaced by M-Commerce. M-Commerce in India confronts with various limitations but it has also a large number of benefits. The manufacturers of handset have been manufacturing affordable Smartphone, the telecom service providers have been providing better connectivity at affordable cost as per Joint Report by Internet and Mobile Association of India (IAMAI) and KANTAR-IMRB. The exorbitant facilities are also being offered by the mobile apps providers. 3G/4G services have provided affordable internet consumption. The people of tier II and III cities, where big brands are not available, go for online shopping for their preferable brands. At present, apart from E-Commerce companies, service provider companies like railway ticket reservation, taxi booking, movie ticket booking etc and fast food companies, real estate companies etc are also offering mobile apps. For fund transfer, bill payment, M-Commerce is used with safety and security measures. M-Commerce takes a significant part to minimize the gap between buyers and sellers. With the advancement of technology and evolution of customers' especially youngsters' behavioural pattern towards online transaction, the future prospects of this sector in India is remarkable as well as noteworthy. M-Commerce will perhaps profess as the means of future online business in India.

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