

Transformation from E-commerce to M-commerce in Indian Context

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ABSTRACT

Few years ago E-commerce has come with advancement in the tradition business; it has been assumed that “there is no business at all without e-commerce”. This phrase has lost its meaning with the exposure of the m-commerce or mobile commerce in India. M-commerce conducted in a wireless environment using any mobile phone or device on internet for buying, selling, payments or services. The emerging of m-commerce has given a new shape to business and organizations. It is on the increasing leveling India and plays an important role in our lives. M-commerce refers to “any transaction with a monetary value that is conducted via a mobile telecommunications network” (Durlacher, 2000). These days almost all e-commerce websites have launched their apps for smart phones. These apps provide a mobile compatible interface for everything, right from browsing products to enabling the user for smoother transaction and billing.

In this research paper it has been attempted to answer the various research questions “Indian citizens are now moving from e-commerce to m commerce” to prove this statement various reports has been collected from different sources and from various articles. In this study it has been tried to reveal the facts that proves E-commerce and M-commerce are at its current stage in India and considering the online users and their usage behavior. Through this research paper it has been tried to focused on the growth of both e-commerce and m-commerce in India, technological advancement from e-commerce to m-commerce

Keywords: E-commerce, M-commerce, telecommunication, Organization, Business, Transaction

1. INTRODUCTION

The term E-commerce is known as the buying and selling of products through the help of internet, any transaction that is done through electronically is considered as e-commerce. It can be divided into three categories as: B2B (Cisco), business to consumer or B2C (Amazon), and consumer to consumer or C2C (eBay). However the term Mobile Commerce (M-commerce) is the new form of e-commerce, which consists all e-commerce transactions, carried through a mobile device. M-commerce is the process of operating business through mobile devices from any corner. Here are several methods can be follow through the use of m-commerce so that a business can be earned profit like.

1. Buying or selling of any desired products from any location.
2. It consists less time frame work which can beneficial for any business to gain profit.
3. Operating any information through hand handled devices is available at affordable cost.
4. People's lives in rural Ares are now changing with the technology advancements.

In this new decade of advanced technologies, the world has been witnessed a rapid growth of technology along with an expansion in mobile devices not only in Haryana but in whole India. Now days, M-commerce is being applied in more and more areas. The concept of m-commerce has been emerged from the traditional e-commerce. Through this new concept of m-commerce technology, business can be operated electronically from anywhere at any time. Following the e-commerce era, according to Barens (2002), m-commerce has been termed as the big trend in technological evolvment due to the changing needs of consumer. We are facing an increasingly past paced life to keep up with our daily lifestyle or comfort.

M-commerce has been considered and huge success not only in Indian market but outside the India as well. Although we accept this phenomena that m-commerce is at their pre natal stage, however peoples who have been scorching from summer and do not want to go out for any purpose m-commerce has made it easier for them to do all work from sitting on sofa couch from any corner through using m-shopping, m-payments and m-banking segments. It has been observed that in India people has expressed their willingness to buy products from their mobile

phones rather than going to malls or shopping complex in order to get rid of heavy traffic jams and crowded market areas.

The adoption tendency of this new technology in India has been successfully increased which consists of various factors like the introduction of new 3G technology, smart phone are able in the market on very affordable prices in Indian markets. It has been estimated that in by the end of 2014 mobile internet users will be expecting to increase more than 165 million as more population has operating mobile devices and tablets day to day. It has been observed in coming few years m-commerce will score more than 25% of total e-retailing. In the period of 2012-2016 Indian market will grow around 72%.

Flow chart of M-commerce in India

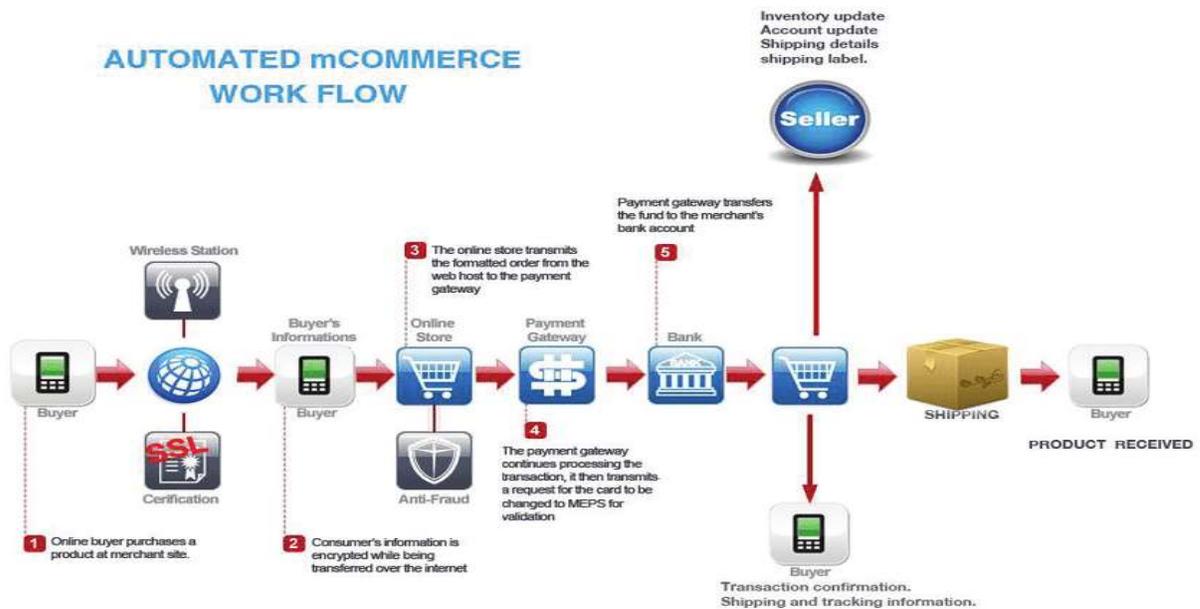


Figure: 1 (Source: <https://www.bing.com/images/search>)

Flow chart of E-commerce in India

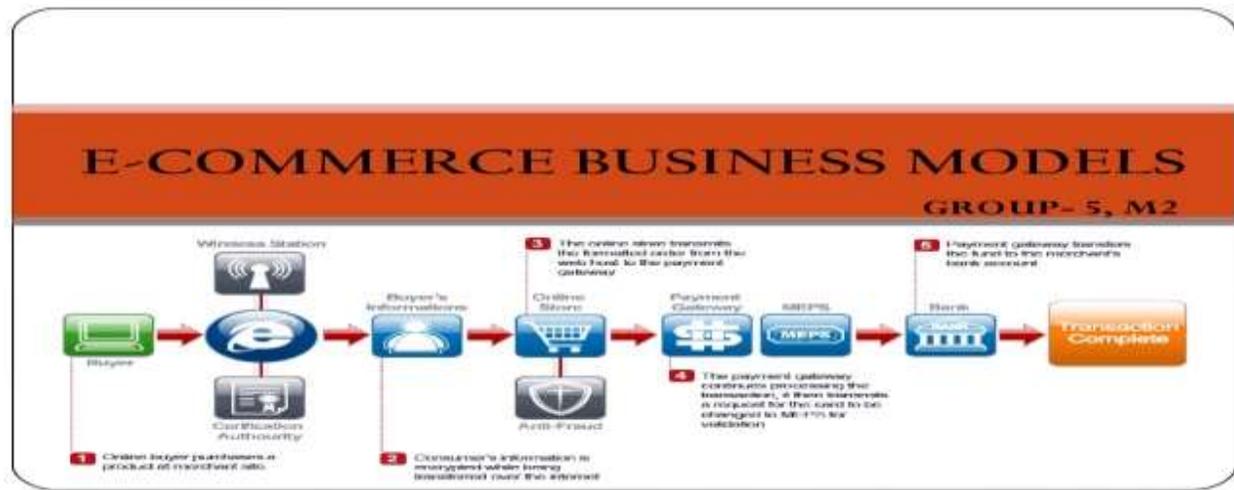


Figure: 2 Source : (<https://www.bing.com/images/search>)

1.2 Research Motivation

M-commerce is at its maturity level in many European and Asian countries. In Indian context the key success of mobile commerce is the emergence of 3G or third generation technology. As third generation protocol support much higher data rate which is required for brand with applications such as pictures, videos, games, and so on.

Furthermore there are not many researchers studying about the antecedents of satisfaction and loyalty in the use of m-commerce services. By explaining the antecedents of satisfaction and loyalty in the use of m-commerce services from consumer perspective, researchers will be able to understand better user accepted m-commerce and will help to provide the knowledge how to promote new technology. Therefore this has been decided to do the research to find out the factors which affect the satisfaction and loyalty in the use of m-commerce services in India.

Although the India population has developed the internet and e-commerce services a long years back various mobile phone companies are upgrading their networks to 3G standards with adequate coverage in metropolitan areas and most of the users are still not using their mobile phones for commerce. The number of people in India who choose to adopt or use such technology is growing rapidly in comparison to other countries. From this background, this research is studied with the various objectives to find out the antecedents of satisfaction and loyalty in the use of m-commerce services.

2. Mobile commerce compared to electronic commerce

M-commerce has been termed as an extension form of e-commerce, since both the terms are familiar. As they both share few fundamental business principles (Zang, Chen and Lee, 2013). E-Commerce i.e. e-commerce has defined that any activity like selling or buying products and services with the help of wired device i.e. computers over internet (Chen and Dhillon, 2003; Niranjana Murthy, Kavyashree, Jagannath and Chahar, 2013;).

Siau, Lim and Shen, 2001 has described m-commerce as a new technology advancement in which every transaction is done by any wireless device i.e. mobile phones, tablets etc. (Swilley, 2007 stated that "M-commerce is not a "better" e-commerce". However m-commerce has been exceeded over e-commerce in terms of usage, value chain, interaction styles (Chan and Chong, 2013). However, the user is able to operate boundless access from any place at any phase of time, it means there is no constraint on time when searching any desired product and services using mobile devices. (Coursaris, Hassanein and Head, 2003) added to their study that m-commerce is very helpful in transmitting the data wirelessly through between mobile devices with any other devices, which help the user to use any services without wired connection flexibly.

According to (Zhang et al., 2003) M-commerce is also known as mobile electronic commerce. In other words m-commerce transactions are basically electronic transactions conducted using any wireless mobile device from anywhere or at any time. **Müller-Veerse, 2000** has described mobile devices in a very simple term as "any transaction with a monetary value that is conducted via a mobile telecommunication network"

3. Key drivers of growth for e-commerce and m-commerce in India

The key factors enabling growth of internet are given as follows.

1. The increased per capita income provides consumers to move towards m-commerce as they have sufficient amount to buy any product or services.
2. A huge involvement of FDI in economic sector has given a wide opportunity to the growth of e-commerce in India.
3. Due to competition various telecom companies have lowered down their communication cost, through which people get attracted

- 4 Day to day there is a rapid increase in the use of smart phones, tablets which gives birth to m-commerce.

4. M-commerce future growth in India

In 2018 m-commerce has been crossed nearly \$ 51 billion in India. This is because the advancement of internet population and due to the increased habit of online shopping of consumers. According to a study done by Assoc ham and Deloitte stated that more than 50 percent of online transaction has done through the method of COD (cash on delivery) many cities and town in India. The study stated that as the preference of mobile transaction is increasing, out of three customers are making transaction form their mobile phones.

As found by this study that In 2017, more than 80% queries relate to shopping and other items have done through various smart phones. To increase the sales it has been important for the companies are to offering new marketing channels. India has secured second place in the world next to china in terms of internet users. US has open various gateways for e-commerce, not only for Indian but for other countries as well. There will be an exciting future ahead for the m-commerce in Indian market. The market has increased as about 3% of the US non store retailer sale (\$560 billion).

The m-commerce market in India has witnessed an increased alliance between various banks and service providers.

5. E-commerce future growth in India

Through E-Commerce it has become easier to reach at any high brands inside or outside the county. In India e-commerce has become the need of the young population. As the awareness among population is increasing about the various benefits of e-commerce, due to which a significant rise in investment in e-commerce has been noticed in India. India as known as the land full of diversity has become a scope for many companies joins this e-commerce business. There are various factors which are essential for the growth of e-commerce in India:

- i. E-commerce provides customer convenience as there is several payment options are available.

- ii. Replacement services for product are also available for customers with a fixed replacement period.
- iii. Through the expanded form of e-commerce it has become easy to reach at any distance.
- iv. Many of the consumers are on move due to their work thus e-commerce help location based services.
- v. E-commerce made it possible for consumer to easily compare price of any product or services.
- vi. Consumers can get better after sales services with the help of 24/7 customer services for any inconvenience

5. Trends Affecting m-commerce growth in 2018

This is the current question in everyone's mind that what will happen to the m-Commerce market in 2018, and then here is a list of trends that could affect m-Commerce growth in the coming year in Indian market. **Mobile shopping** would become a very essential thing for the online business to sustain in India. It will be necessary to offer a seamless shopping experience to the consumers via both website and apps. **Mobile image recognition** could come upfront in a big way. In this case, a customer will be able to click a picture of any desired product in the surroundings and be directed to the platform where it can be bought from easily available.

A lot more shall be expected of shopping sites rather than just providing customers with a list of products. **Artificial Intelligence and chat bots** are used to give a real-time experience to the customers. This would be helpful to enhance the shopping experience for the customers. **Content** has always been playing a crucial role in the online shopping experience. But in case of m-Commerce, the crucially will grow and the content will take up more space. This would a necessary action in regards to convince the buyers. With the new growing technology comes a great risk. With an m-Commerce booming, **mobile fraud** will be possibly grow. Retailers will have to consider this mobile fraud seriously and plan pre safety precautions to prevent such incidents from happening.

Mobile abandonment rates are more than 80% when the customers are asked to input their credit card details through online shopping. An **evolution in the payment system** will happen in 2018. Direct app payments and prepaid accounts will be in the limelight.

6. FINDINGS

- i. It has been found that e-commerce sector in India is at its maturity level.
- ii. Increase in internet growth is very helpful for e-commerce.
- iii. As there is few obstacles comes in the growth of e-commerce and m-commerce growth in India like knowledge, education, and huge competition of companies.

7. Conclusion

It is not easy to predict the growth of e-commerce and m-commerce in India. Few more segments are also can develop in the near future. Here are various factors which help m-commerce and e-commerce to make prominent in near future like. Payment options, better after sales services, location based services many more. This is a new era of new technology, new companies who are coming forward need to accommodate with the needs of their customers first this will help to gain more profit. Both the services e-commerce and m-commerce are continuously progressing. As m-commerce has taken the place of e-commerce now a days as it has become easier for the peoples to operate any desired service from their mobile phones on lower maintainers cost. However there are various disadvantage are also in these technologies such as uncertainties of customers, but with the passing of time it has become easy to solve any consequences, only needed to follow the correct practices and methods.

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