M-Commerce and Its Importance

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Abstract: M-commerce services were first delivered in 1997 and developed by Kevin Duffey at Logica. M-commerce is the ability to conduct commerce using a mobile device such as: mobile phone, personal digital assistance, smart phone. The customer wants to access information, goods and services anytime and in any place on his mobile phone. M-commerce helps the users to search any information through the Internet without to find a place to plug in. It creates opportunity to deliver new services to existing customers and to attract new customers. In this paper, we would like to sum up some advantages of mobile payments systems.

Keywords: M-Commerce, Features, Mobile Payment System, Services and Applications.

Meaning of M-commerce

Mobile e-commerce (m-commerce) is a term that describes the online sales transactions that use wireless electronic devices such as hand-held computers, mobile phones or laptops. It is the process of purchasing or selling items with the use of mobile devices. In other words, it’s a complete online shopping experience, but with all the convenience of being on a cell phone or tablet known as next-generation e-commerce. M-commerce enables users to access the Internet without needing to find a place to plug in. These wireless devices interact with computer networks that have the ability to conduct online merchandise purchases. Any type of cash exchange is referred to as an e-commerce transaction. Mobile e-commerce is just one of the many subsets of electronic commerce.

M-commerce stands for mobile commerce, is the buying and selling of goods and services through wireless handheld devices such as cellular telephone and personal digital assistants (PDAs). Device vendors target younger generations who use mobile phones more than any other age group, prompting online vendors to collaborate with big names in the telecommunications industry to promote the advancement of e-commerce to m-commerce such that users can shop online from their phones. Most of these advances are accomplished through sophisticated application designs that are constantly emerging and evolving.

Features of m-commerce

The buyer can use a variety of electronic devices, such as cell phones, smart phones or portable Notebooks to browse and process orders. It creates opportunity to deliver new services to existing customers and to attract new customers. It allow direct access to the information via the interest, smart cards etc.

Fast Processing

One important characteristic of mobile commerce is that it allows the user to process a transaction fast. Not only does the customer receive his item almost instantly via download, e-mail or another form of electronic delivery, the business owner receives payment for his product or service more quickly compared to traditional methods. The customer must set up a payment option, such as a credit card or an agreement to pay using a specified account, to process the payment immediately before downloading the item. Of course, the speed of delivery is dependent on the reliability of the Internet and network services.

Reduced Business Costs

Mobile commerce also helps reduce costs for the seller. She rarely needs to pay for a separate office space, overhead costs or employees. In some cases a small business owner who sets up a mobile commerce operation doesn't need an office at all. The seller can monitor sales online or by receiving statements from a processing service. The main expense for this type of business owner is advertising to disseminate information on how users can access the product or service. The lowered cost allows the business owner to take advantage of a higher per-sale profit. He also can offer the product at a lower price compared to delivery in other formats.

Little Need for Maintenance

Another characteristic of mobile commerce is that it requires very little maintenance from the seller. The owner sets the product up for mobile delivery one time and then receives payment for sales automatically. He may need to perform a few maintenance duties, such as correcting a technology error or updating the product, but overall it is a selling format that requires very little management compared with other selling strategies from time to time.
Services and Applications

A wide variety of information services can be delivered to mobile phone users in much the same way as it is delivered to PC. Tickets can be books and cancelled on the mobile phone with the help of simple application downloads. They can purchase tickets for events, pay for services and even order and downloads per books and CD’s. They should be offered appropriate payment methods.

M-COMMERCE -SERVICES

Mobile commerce provides different types of services like M-Banking-Marketing-Information Services-Shopping-Entertainment. In the current commerce industry, M-Commerce has been entered in finance, services, retails, tele-communication and information technology services. Financial institutions use mobile commerce to allow their customers to access account information and make transactions such as purchasing stocks, remitting money, receive notifications transfer money to other banks. Customers also make mobile payments for online shopping through mobile devices.

M-commerce = E-commerce + Wireless web

Advantages of M-Commerce

M-Commerce is a part of E-commerce which allows people to do the transaction through mobile devices. There are already several existing M-Commerce applications and services nowadays that bring many M-commerce advantages to us. In these sectors, it is widely accepted thanks to the following advantages of M-Commerce

Convenience: With just a few clicks on mobile devices, customers can already do shopping, banking; download media files...and more than that. M-commerce also benefits retailers by many of their outstanding features compared with responsive website and mobile site.

Flexible Accessibility: User can be accessible via mobile devices and at the same time be accessible online too through logging on to various mobile messengers and other networking platforms. On the other hand, the user may also choose not to be accessible by shutting down his mobile device, which at times can be a good thing.

Easy Connectivity: Easy connectivity to do the commerce transaction on the mobile phone or the wireless handheld devices. No need for modem or WI-FI connectivity set up.

Personalization: It makes the privacy because each user has different mobile devices on which they can do whatever they want with their handheld devices.e.g modify the wallpaper, change view settings or modify contact information as you send emails or e-payments.

Time Efficient: Doing M-Commerce transactions do not require the users to plug anything like personal computer or wait for the laptop to load.

Mobile Payment System

Mobile Payment Systems are systems that let consumers pay by mobile devices. Mobile payments systems are divided into many types such
as: SMS payment, NFC Payment and Payments via Mobile App.

Mobile payments benefit both consumers and businesses. In this paper, we would like to sum up some advantages of mobile payments systems.

**Mobile Payment Systems’ Advantages For Consumers:**

- **Convenience:** It makes the payment process easier and less complicated. With the help of internet, users can make payment with their mobile devices from anywhere at any time. They allow customers to seamlessly purchase products or services with having to physically hand over cash or swipe a card. Consumers are eager for quick, in-and-out shopping experiences.

- **Security:** By using mobile payments, consumers no longer have to assume the security risks associated with cash or worry whether they have enough cash in their bulky physical wallets so that mobile payments reduce theft risks of having cash on hand. Moreover, mobile payment is a secure way to pay. Credit card information is not stored on Smartphone’s directly but in the cloud. So no thief could extract your credit card details just by stealing your phone. By the way, iTunes has the world’s biggest credit card database.

**Mobile Payment Systems’ Advantages for retailers:**

- **Cost:** One valid advantage are the lower costs of using the mobile card reader or barcode scanner than having a credit card terminal from a bank, which charges merchants with a monthly fee plus transaction fees. Mobile app owners need to pay setup costs for a terminal.

- **Engagement:** Offering mobile payment options to customers, both online and offline simply makes the purchase process easier for them. This can increase conversion rates and the number of returning customers. Moreover, businesses are able to speed up the checkout process and capture the business of impulse buyers who may have been less able to buy something if a traditional transaction were required. This will most likely increase conversion rates and revenue. Catching this trend of mobile era is nothing but one of the most ideal and potential choice for retailers.

**Conclusion**

Nowadays, more and more online shops are offering their customers to pay their order online with their mobile device using Google Wallet. It’s a win-win situation: customers can easily skip filling out annoying forms and purchase an item with only one click. It creates opportunity to deliver new services to existing customers and to attract new customers.

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