

# The Mobile Commerce Impact – From Characteristics to Implementation

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## Abstract

E-commerce with no doubt has influenced the global business environment to some reater levels. However, several organizations still trust technologies, applications and infrastructures which can bring more profits and fames to their businesses.

Mobile commerce is one such innovative environment in which mobile computing and wireless technologies are capable of centering the attraction of customers in an absolute way. M-commerce has become the all-time favorite area of interest of today's firms. Right from the day m-commerce revolution began, it is creating opportunities for mobile devices and services. Recent statistics and predictions indicate that m-commerce is currently generating more strategic advantages to firms both in terms of revenue and popularity. In this paper, we'll study about the impact m-commerce has created in today's businesses.

## Introduction

Most of the businesses today have transformed from being conducted on traditional marketplaces to the new innovative marketplace. Internet and ecommerce have provided a major impact on the global business environment and has changed the traditional way of conducting business. The m-commerce trend has been set up exclusively to create new opportunities to both mobile devices and services and henceforth provides the same capabilities, functionalities and mobility of ecommerce.

**M-commerce Definition:** M-commerce, also known as wireless commerce or mobile e-commerce represents any monetary business activity conducted via mobile communication networks. Few studies define m-commerce as all activities related to commercial transaction conducted through communications networks that interface with wireless/mobile devices. It can also be defined as the use of handheld wireless/mobile devices to communicate, interact and transact via high speed connection to the internet.

## M-commerce Characteristics

The ultimate reason why people adopt m-commerce is due to its unique characteristics. It has two fundamental characteristics - mobility and reachability. Mobility capability of mobile devices provides users with a free of time and location. Reachability on the other end is directly related to mobility. These two characteristics can solve any geographic or time obstacles of a particular situation. Other characteristics and attributes include ubiquity, user identity, location awareness and interactivity, security and instant connectivity.

Studies state that ubiquity is the utmost advantage of m-commerce because it can satisfy the need for real time information and communication anywhere, regardless of a user's location. Furthermore, size and portability would be an important reason for potential customers to adopt mobile devices. The desire to buy mobile devices can be easily satisfied by these characteristics.

## Issues with M-commerce

An early adopter of new technology often assumes some level of risk. M-commerce is a new innovation in the electronic market. Thus, many firms have been very skeptical of m-commerce and many industries have

not examined its potential. As a result, there is not much research regarding its' impacts. There has been some research, however on general aspects of m-commerce, such as m-commerce technology and applications. Another research has been focused on the issues and challenges of m-commerce. These issues and challenges differ one in other way depending upon the development of m-commerce market. In order for m-commerce to be successful, firms must be aware of possible problems and solutions. Recognizing m-commerce issues, as well as trying to solve them should be at the strategic core for many m-commerce firms. Discussed below is each issue individually.

#### ✦ **Measurement issues**

M-commerce firms need to define new measurement indicators. In future, ecommerce market will be close saturation, so traditional mobile growth issues will be inappropriate. Therefore, m-commerce firms should define new specific indicators which must reflect the advanced segmentation of the market by service and its users. New indicators in this field should be capable of measuring the growth of the market by service and its users. In order to define new indicators, firms should first recognize their position in each sector of industry, which will give them more detailed information to decide their needs.

#### ✦ **Security issues**

Like many other business using technology, security issues are probably the greatest concern of any m-commerce firm. Even if m-commerce is a new evolution for many businesses, such businesses can sustain substantial threats without a secure environment. Most ecommerce businesses have security control counter plans in the form of processes, technology and organizations that can be implemented to eliminate vulnerability and reduce security risks. These controls involve various technologies such as firewalls, anti-virus protection, user identification, authentication and secure device management. Even if security concerns are very common for any type of ecommerce, m-commerce firms should develop and provide additional technology for a secure environment.

#### ✦ **Competition issues**

Another consideration of strategic plans would be the issue of competition. Mcommerce market has started to influence the consumer markets as e-commerce did. With this trend, m-commerce firms should consider both managerial and technological plans that will play a crucial role in order to be more competitive. For managerial implementation, m-commerce firms should be able to evaluate their competitors, customers and many others inside and other factors which affect them. Apart all, m-commerce firms need to develop more advanced mobile technology and networks in order to deal with competitors.

#### ✦ **Standardization issues**

Standardization is yet another important issue that m-commerce firms must consider. It is not easy to standardize new technology or business concept. Various hardware, infrastructures and applications among m-commerce firms make standardization difficult, especially in integrating data and the many rapidly changing requirements. The main purpose of standardization for m-commerce is to ensure interoperability. It plays a crucial role for many businesses not only in terms of time and communication, but also it reduces costs of the workforce and operation management.

### **M-commerce Benefits**

M-commerce is generating plenty of benefits as that of e-commerce. Initially, mcommerce targeted individual customers rather than businesses. In other words, mcommerce is keenly intended to customer oriented areas, thereby providing individuals with better data exchange and communication. The present usage of mcommerce is not only for individuals but also for organizations. Firms have recognized the urgency of launching mobile versions for their websites and are considering it a successful strategy for their businesses.

The benefits of m-commerce are reflected in two aspects: indirect and direct benefits. Regarding indirect, m-commerce provides more competitive advantages than other firms. M-commerce initiatives bring the rapid development and deployment of customized wireless applications, as well as the integration of these applications with an organization's existing communication and data infrastructure.

### **Implementing m-commerce solutions**

The above discussed cases clearly illustrated the risks or issues associated with mcommerce. Though the issues might be over hyping, there must be a clear cut way to implement m-commerce solutions. There are a

multiple straight forward and fundamental things which can be done in mobile that will provide m-commerce revenues without the hype. A transactional function can be added to both a mobile internet site or within an app. Another significant functionality with m-commerce is, it requires interaction with banking industry approved systems, security issues and so on. However, as you see through the quote from M&S, the investment can pay off and as the research from IAB and other is showing, customers are leading the charge and transacting through mobile, in spite of whether retailers want them to or are ready for them to or not.

### **Conclusion**

This paper clearly illustrated the m-commerce impact in today's world – right from characteristics to implementation. M-commerce however is not a technology, but it is about discovering innovative ways to define value for customers as well as to conduct business. Once m-commerce issues and challenges have been incorporated into the policies of a company, more benefits could be expected. Therefore, in the future, research needs to focus on two aspect; the influences that determine the success of m-commerce and the benefits themselves.

### **References**

For a better understanding of any technical terms or acronyms mentioned in this

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