



## **M-Commerce: The New Dimension for Business**

### **Abstract**

*The general meaning of M-Commerce can be stated as “any transaction with monetary value that takes place through mobile phone device is called M-Commerce”. The revolution in wireless technology has created an entirely new approach for the business and the companies are seeking newer opportunities from the market. In the 20<sup>th</sup> Century, the transactions of buying and selling were confined to the limits of time, location and human resources, but in the 21<sup>st</sup> Century all such limitations are vanished. M-Commerce is an emerging service with the use of various mobile phone applications, internet network and middleware. Various parties are involved in M-Commerce transactions. Various mobile phone applications are developed to make the M-Commerce faster and growing. In this century, M-Commerce will achieve new heights of business success.*

**Key Words:** *M-Commerce, Revolution, Wireless Technology, Market, Business.*

### **M-Commerce: The New Dimension for Business**

#### **Introduction:**

With the introduction of 4G Services and the advent use of Smart Phones, there are drastic changes in the pace and form of business in India. The revolution in wireless technology has created an entirely new approach for the business and the companies are seeking newer opportunities from the market.

In the 20<sup>th</sup> Century, the transactions of buying and selling were confined to the limits of time, location and human resources, but in the 21<sup>st</sup> Century all such limitations are vanished. With the growing use of wireless devices and mobile phones, it is evident that M-Commerce is getting the momentum.

#### **M-Commerce Defined:**

The general meaning of M-Commerce can be stated as “any transaction with monetary value that takes place through mobile phone device is called M-Commerce”.

In other words, “the use of mobile phone hand set device for performing commercial transactions is called M-Commerce”.

#### **Services Included in M-Commerce:**

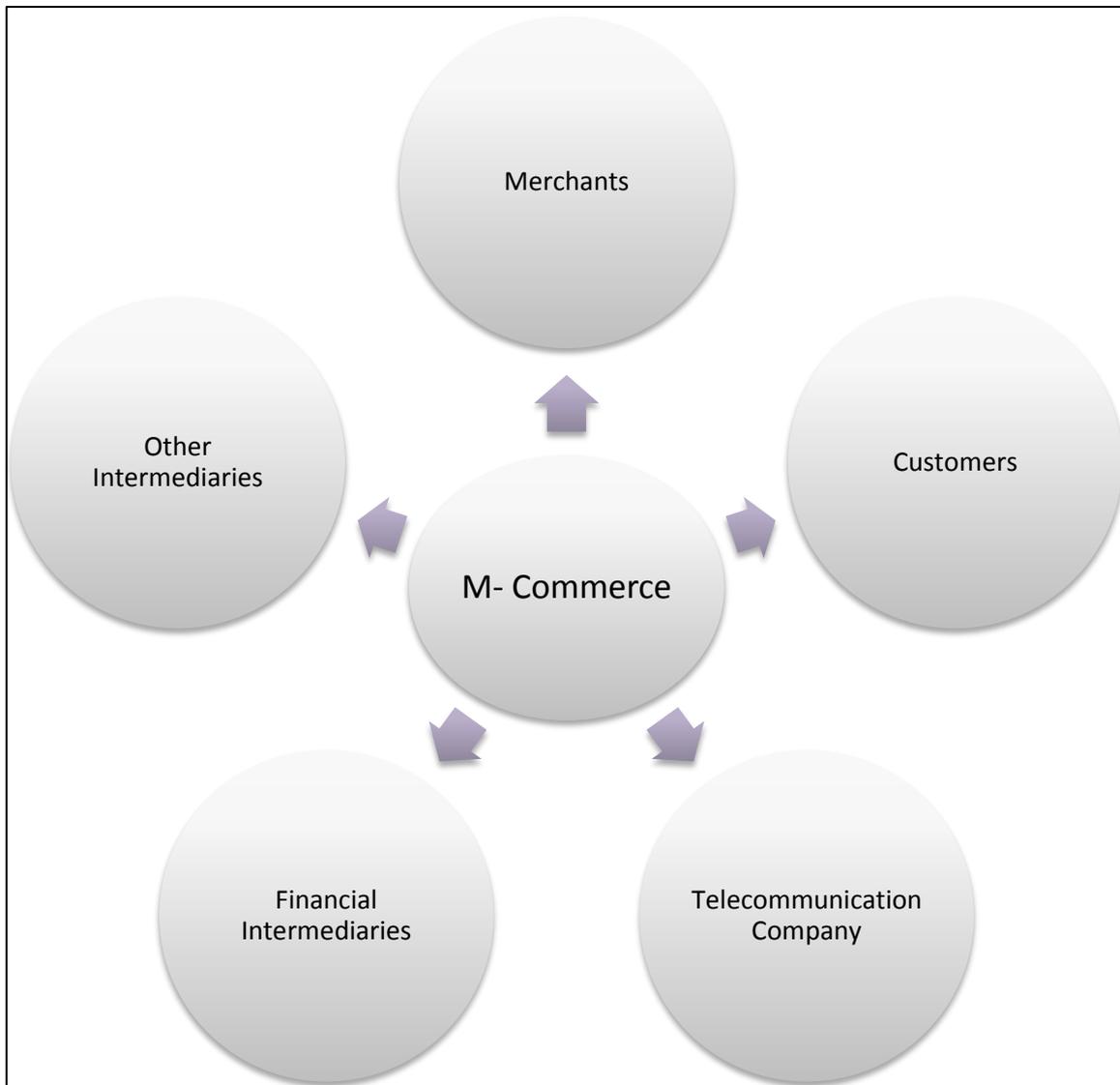
M-Commerce is an emerging service with the use of various mobile phone applications, internet network and middleware. The following services can be categorized as M-Commerce Services:

- ✓ Mobile banking service (check account information, money transfer)
- ✓ Mobile trade service (stock quotes, selling/buying)
- ✓ Credit card information (account balance)
- ✓ Life insurance account information (account information, money transfer)
- ✓ Airline (online reservation, mileage account check)
- ✓ Travel (online reservation, timetables)
- ✓ Concert ticket reservation (online or telephone booking)
- ✓ Sales (online books, CDs)
- ✓ Entertainment (games)

- ✓ News/information (headline, sports, weather, horse racing information, business, technology, regional)
- ✓ Database, application (yellow pages, dictionary, restaurant guide)
- ✓ Location based application (area information and guides)

### Participants in M-Commerce:

Following are the main participants in the M-Commerce transactions:



#### - Merchants:

The Merchant is the first end party for the M-Commerce transactions. Merchants offer the goods and services produced by the various manufacturers. The merchants will offer the goods and services on the basis of analysis of needs and wants of the consumers.

#### - Customers:

This is the second end party for the transaction of M-Commerce. The customers have the power to influence the producers to produce the goods and services according to the needs and wants of the customers. Customers exercise this power by providing their views and opinions on the websites.

#### - Telecommunication Company:

The telecommunication companies provide the platform for the M-Commerce transactions to take place. These companies provide infrastructure for the wireless networks. With the use of this wireless networks, various parties desirous to be involved in M-Commerce can be connected with one another.

### - **Financial Intermediaries:**

The financial intermediaries are the banking and financial institutions that are already maintaining the financial transactions of the merchants and the customers. These intermediaries provide credit cards, debit cards and other payment gateway depending upon the transaction requirements.

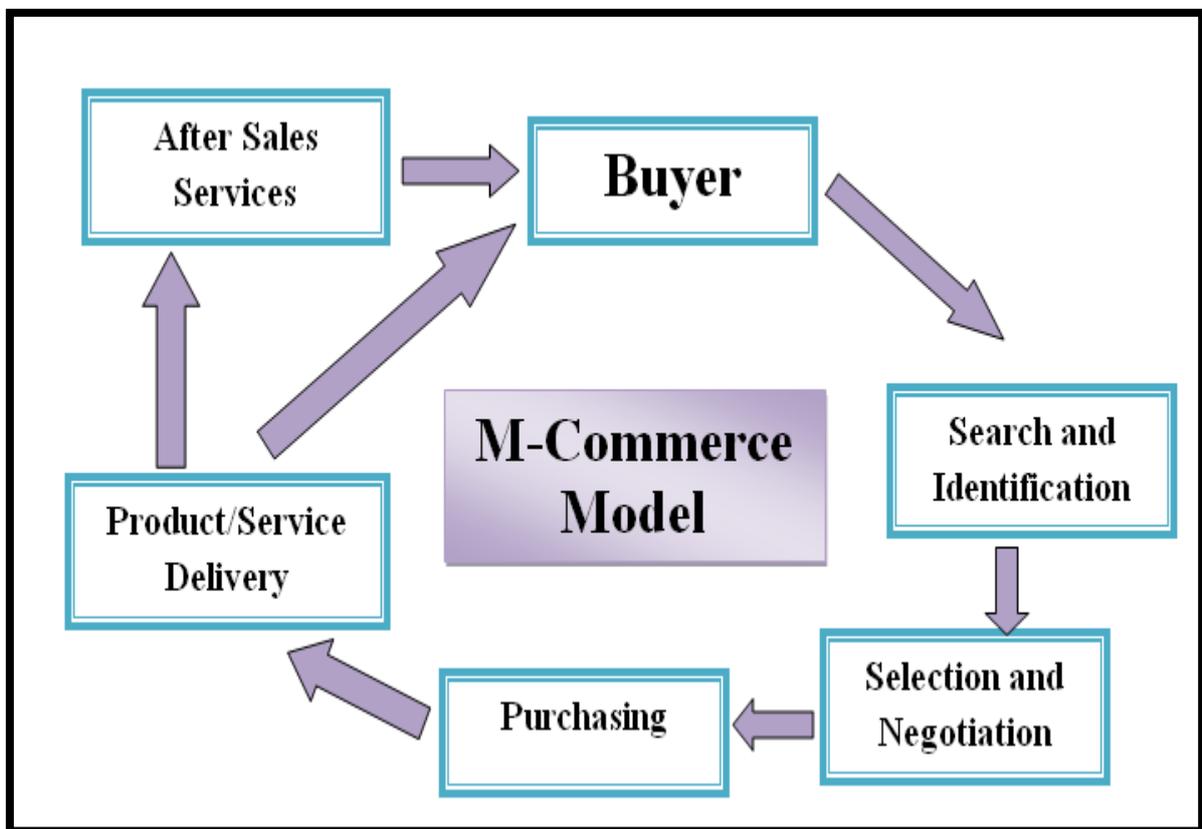
### - **Other Intermediaries:**

The other intermediaries include the software designers, marketers, web designers, advertising agencies, accounting service providers, etc. All these parties play an active role to help the M-Commerce transaction to take place.

Thus, the above mentioned parties are involved in M-Commerce transactions.

### **M-Commerce Model:**

The following diagram shows the Model of M-Commerce. The model explains that the customer first of all identifies the products or service required by him or her using mobile phone with the internet facility. After identifying the product or service, the buyer makes the selection of the product/service and then he places order for purchasing it. When the seller receives the order he makes arrangement for the delivery of the same. After the transaction takes place and the payment is made, the transaction is over. The seller also makes arrangement for after sales service, if required.



### **The Benefits of M-Commerce:**

The major benefits of M-Commerce can be outlined as follows:

- M-Commerce is most cost efficient because, it minimizes the most of fixed costs.
- M-Commerce is beneficial to both the buyers and sellers.
- M-Commerce eliminates the traditional distribution channel and as a result the delivery of goods and services are faster.
- M-Commerce increases the convenience of the buyer as the buyer can buy the product or service at the time and place convenient to him.

- M-Commerce increases the security of transactions by laying several security protocols during the transactions.
- M-Commerce expands the business as it eliminates the geographical barriers of the trade.
- M-Commerce provides access to the various products and services to buyer and makes the comparison and selection of the products easier.
- M-Commerce makes quality good and services available the cheaper rate.

### Conclusion:

The above discussion about M-Commerce signifies that the modern technology and the increasing use of Mobile phone and internet have opened up the new avenues for the business and trade. The companies are trying to exploit these opportunities by providing user-friendly products and services. Various mobile phone applications are developed to make the M-Commerce faster and growing. In this century, M-Commerce will achieve new heights of business success.

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