



M-COMMERCE IN INDIA - AN ANALYSIS

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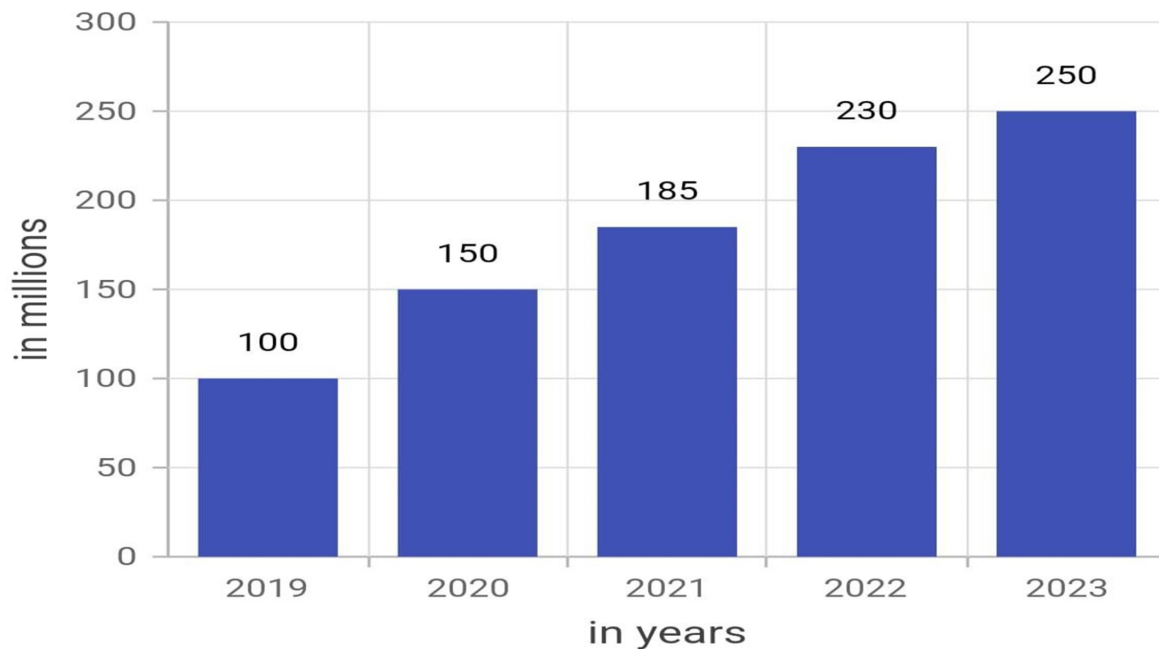
ABSTRACT

M-Commerce is the buying and selling of goods and services through wireless devices such as mobile phone. M-Commerce enables the users to access internet without needs to go shop to buy. M-Commerce made people to transfer funds, shopping done through mobile within a moment. M-Commerce is conducted on mobile phones using internet. M-Commerce introduced anytime and anywhere online transactions. The reachability, mobility and flexibility features of mobile commerce and flexibility features of mobile commerce have increased the mobile users and internet subscribers in India. There were 692 million internet users in India at the start of 2023, when internet penetration stood at 48.7 percent. A total of 1.10 billion cellular mobile connections were active in India in 2023. In 2023, the penetration rate of smartphone in India reached 71 percent and was estimated to reach 96 percent in 2040. This paper highlights the advantages, limitations and future aspects of M-Commerce in India.

Introduction

M-Commerce refers to any commercial transactions that take place via apps or mobile sites. The mobile commerce vertical is growing rapidly, with the percentage and share of digital purchases that

annual online shoppers in India (2019-2023)



are taking place on mobile increasing each year. As making purchases on mobile gets more convenient and as more people globally gain access to smartphones and tablets, the capacity for mobile purchases to be made continues to soar. People are using mobile applications for utility bill payments, ticket booking, fund transfer, shopping and so on. With these advantages, M-Commerce has disadvantages such as security concerns, fraud risk, connectivity issues and lack of services in rural areas. India's annual transacting e-retail shopper base is estimated to scale to 230 – 250 million people in 2023. Over 100 million of these shoppers were added over the last three years. India's market for M-Commerce would expand. In particular, customers in the age group of 25-34 are taking to their mobile phones to shop online with 90% of customers in this group doing so.

Objectives of the study

- To study the advantages and limitations of M-Commerce in India.
- To study the future aspects of M-Commerce in India.

Methodology

The present study is based on the secondary data collected from the journals, web and print media.

In 2019, the number of annual online shoppers was about 100 millions across India. In 2020, the number of annual online shoppers was about 150 millions across India. In 2021, the number of annual online shoppers was about 185 millions across India. In 2022, the number of annual shoppers was about 230 millions across India. In 2023, the number of annual online shoppers was about 250 millions across India. The annual number of shoppers are likely to increase to 425 million in 2027.

Advantages

- Enables easy and convenient online shopping
- Gives rise to new trends
- Offers a wide choice of products
- It's highly personalized
- Enables direct communication with customers
- People can be reached at any time
- Offers many payment system
- Cost effective operation
- Improved customer engagement
- Reach a wider audience
- People able to use anytime and anywhere

Limitations

- A very large section of customers are still not comfortable with credit and debit card payment for the online purchase.

- Online products lacks sensory appeal. Customers cannot see, touch or feel the product and hence they are reluctant. They also have apprehensions about the quality of products.
- Sometimes, customers to find it difficult to get support services in produce categories like watches, laptops and other electronic gadgets.
- Security is major concerns with growing incidence of cyber crime customers are becoming aversive in sharing their personal details with e-marketers.
- Approximately 11% of people in India have switched on to the cashless mode of transactions, but penetration of cashless transactions is still at a meager 0.43% according to a report by India Development Fund (IDF) and Internet and Mobile Association of India (IAMAI).

Conclusion

By considering the M-Commerce people are using mobile applications for utility bill payment, ticket booking, fund transfer, shopping and so on. People have attracted for advancement and low cost of smartphones, Better internet tariff. People to do transactions on mobile devices. Smartphones are developed to overcome the limitations of M-Commerce. Mobile commerce needs some development in specific areas like secure transaction and better shopping experience other than this M-Commerce opens the new era of shopping.

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