

M-Commerce

Mobile commerce popularly known as m-commerce is actually just a subset of e-commerce. Applications of M-commerce

Other than the straightforward m-commerce transactions of buying and selling of goods and services, they have so many applications. Let us take a look at a few examples,

- **Mobile Banking:** Using a mobile website or application to perform all your banking functions. It is one step ahead of online banking and has become commonplace these days. For example, in Nigeria, the majority of banking transactions happen on mobile phones.
- **Mobile Ticketing and Booking:** Making bookings and receiving your tickets on the mobile. The digital ticket or boarding pass is sent directly to your phone after you make the payment from it. Even in India now IRTC and other services provide m-ticketing services.
- **E-bills:** This includes mobile vouchers, mobile coupons to be redeemed and even loyalty points or cards system.
- **Auctions:** Online auctions having now been developed to be made available via mobile phones as well.
- **Stock Market Reports and even stock market trading** over mobile applications.

Advantages of M-commerce

- It provides a very convenient and easy to use the system to conduct business transactions.

- Mobile commerce has a very wide reach. A huge part of the world's population has a mobile phone in their pocket. So the sheer size of the market is tremendous.
- M-commerce also helps businesses target customers according to their location, service provider, the type of device they use and various other criteria. This can be a good marketing tool.
- The costs of the company also reduced. This is due to the streamlined processes, now transaction cost, low carrying cost and low order processing cost as well.

Disadvantages of M-commerce

- The existing technology to set up an m-commerce business is very expensive. It has great start-up costs and many complications arise.
- In developing countries, the networks and service providers are not reliable. It is not most suitable for data transfer.
- Then there is the issue of security. There are many concerns about the safety of the customer's private information. And the possibility of a data leak is very daunting.

What are the differences between e-commerce and m-commerce?

Ans: Some of the differences are as below,

- E-commerce came into existence in the 1970s. Whereas, M-commerce was invented later during the 1990s.
- Electronic commerce has a narrower reach than M-commerce, due to a large number of mobile users globally.
- E-commerce is generally a less costly method. The set up of the website and the use of the internet is both relatively cheaper methods. M-commerce, on the other hand, is more expensive due

to the creation of the mobile app and the need to use cellular data
(for the customers)