M-Commerce

M-Commerce Definition

Narrow definition

The ability to complete transactions involving the exchange of monetary value through wireless telecommunications networks

Broader definition

The emerging set of applications and services people can access from their Internet-enabled mobile devices

Some Marketing Advantages of Wireless

Stationary (PC) vs. Mobile

Wireless devices are different

Personal: individual user, not like a household PC

Anytime, any place

Location-based services

Ubiquitous interactivity

Some Classes of M-Commerce Applications

Mobile financial, mobile advertising, mobile inventory management, proactive service management, product locating and shopping, mobile auctions, mobile entertainment, mobile office, mobile distance edu.

Mobile advertising

Device trends

Value of Mobile Advertising

What factors influencing people’s perceived value of mobile advertising?

M-commerce technology

Wireless access technology

User interface

Content and service delivery

Security

Biometric authentication

Wireless user interface

Screen size : responsive design

Input methods

Keyboard, voice, touch screen, gesture, camera

Content & Service delivery

SMS (Short message service)

Mobile 🡨 🡪 Mobile

Mobile 🡨 🡪 Computer

GPS

Operating systems & software

Market share

Apps

Mobile content

What content do mobile users consume?

Mobile Networks & CRM

Personalized content and services

Track consumers across time and media

Provide content and service at time of need

Provide highly engaging content

Some marketing propositions for m-commerce

People using wireless to search for products/services have smaller “consideration sets” – emphasize convenience

Increased frequency of impulse purchases, especially for low value, low involvement goods and services

Some marketing propositions for m-commerce

Since consumers can easily check prices of competitors, m-commerce will lead to more dynamic pricing in brick and mortar stores

Advertising will be more successful since it can be more relevant (location and transaction aware)

Other marketing implications

Use of wireless for collecting market research data

During product use

Instant training & support

During in-store shopping

Increase efficiency and personalization

Apply dynamic promotion, pricing

Track customer movements

Study effectiveness of promotions, displays, etc.

Spot surveys