

# Impact of M commerce in Rural Area

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**Abstract:** The phrase mobile commerce was originally coined in 1997 by Kevin Duffey at the launch of the Global Mobile Commerce Forum, to mean "the delivery of electronic commerce capabilities directly into the consumer's hand, anywhere, via wireless technology." Many choose to think of Mobile Commerce as meaning "a retail outlet in your customer's pocket."

**Key words:** Mobile Commerce, E- Commerce, Rural

## I. INTRODUCTION

M-Commerce is defined as any transaction with monetary value that is conducted via a mobile telecommunications network. M-Commerce like E-commerce can be B2B (business to business), P2P (person to person) or B2C (business to customer) oriented. The framework divides into couple sub areas based on user's distribution criterion. Mobile E-commerce addresses electronic commerce via mobile devices, where the consumer is not in physical or eye contact with the goods that are being purchased. On the contrary in M-Trade the consumer has eye contact with offered products and services. In both cases the payment procedure is executed via the mobile network. A brief research on the state of the market is given to present a framework for possible solutions. The purpose of this paper is to describe the factors that affect the introduction of a successful M-Payment system.

M-commerce is at emerging level in India. The need for mobility seems to be a primary driving force behind M-Commerce applications such as Mobile Banking, Mobile Entertainment and Mobile Marketing etc. This paper lists the issues being faced by the Indian M-commerce industry. Earlier, business strategies were based on limited geographical reach and scope for the growth. M-commerce industry is young in India. 9% Indians are using smartphones for the purpose of rapidly consuming contents such as gaming, videos, songs and entertainment on their smart devices and this leads to steady growth in mobile advertising and apps industry. Smartphone penetration will increase from 8% by end 2014 to more than 21% in 2017

"Internet + Wireless + E-Commerce = M-Commerce"

### Defination:-

"Mobile commerce, also referred as m-commerce, is the use of wireless handheld devices such as cellular phones and

laptops to conduct commercial [transactions](#) online. Mobile [commerce](#) transactions continue to grow, and the term includes the purchase and sale of a wide range of products and services, such as [online banking](#), bill payment and information delivery."

**History**

- ✓ Mobile Commerce Services were first delivered in 1997, when the first two mobile-phone enabled Coca Cola vending machines were installed in the Helsinki area in Finland.
- ✓ The M-Commerce server developed in late 1997 by Kevin Duffey at Logica.
- ✓ Since the launch of the iPhone, mobile Commerce has moved away from SMS systems and into actual applications.

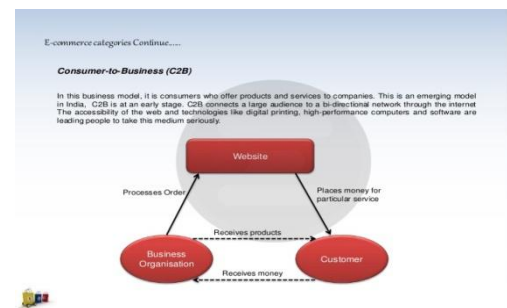
### Features of m-Commerce

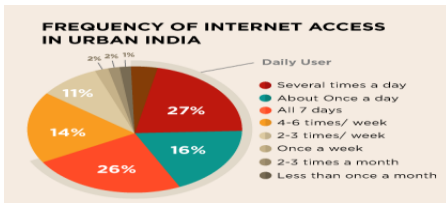
- Provision for cash deposits and withdrawals.
- Ability for third parties to make deposits into a user account.
- Ability to make retail purchase.
- Over-the-air prepaid top-ups using the cash already in the account.
- The ability to transfer cash between users account.
- Provision for bill payments.

**Advantages**

- ✓ Advantages of M-Commerce are:
  - Portability
  - Instant connectivity
  - Mobility
  - Personalization
  - Localization

### ➤ Frequency of internet access urban India:-

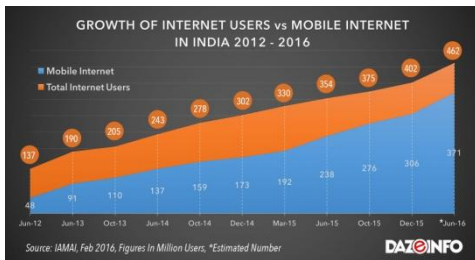




From the above cart we can say that

- 1) 27% user access internet in several times a day.
- 2) 16% user access internet in once a day.
- 3) 26 % user access internet all 7 days.
- 4) 14% user access internet 4 to 6 times in a weak.
- 5) 11% user access internet 2-3 times in a weak.
- 6) 2% user access internet once a week.
- 7) 2% user access internet 2-3 times in a Month.
- 8) 1% user access internet less than once a Month.

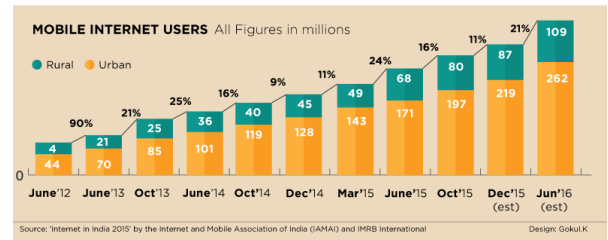
➤ **Growth of Internet users v/s Mobile Internet in India 2012-2016.**



➤ **Mobile Internet user:-**

| Year      | Rural (in Millions.) | Urban (in Millions.) | Total |
|-----------|----------------------|----------------------|-------|
| June 2012 | 4                    | 44                   | 48    |
| June 2013 | 21                   | 70                   | 91    |
| Oct 2013  | 25                   | 85                   | 110   |
| June 2014 | 36                   | 101                  | 137   |
| Oct 2014  | 40                   | 119                  | 159   |
| Dec 2014  | 45                   | 128                  | 173   |
| Mar 2015  | 49                   | 143                  | 192   |

|              |            |             |             |
|--------------|------------|-------------|-------------|
| June 2015    | 68         | 171         | 239         |
| Oct 2015     | 80         | 197         | 277         |
| Dec 2015     | 87         | 219         | 306         |
| June 2016    | 109        | 262         | 371         |
| <b>Total</b> | <b>564</b> | <b>1539</b> | <b>2103</b> |



**II. CONCLUSION**

As m-commerce applications and wireless devices are evolving rapidly, one will take forward the other one towards empowering innovation, versatility and power in them. There are a number of business opportunities and grand challenges of bringing forth viable and robust wireless technologies ahead for fully realizing the enormous strength of m-commerce in this Internet era and thereby meeting both the basic requirements and advanced expectations of mobile users and providers.

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