



**INTERNATIONAL JOURNAL OF ENGINEERING SCIENCES & RESEARCH  
TECHNOLOGY**

**STRATEGIC FRAMEWORK FOR MOBILE COMMERCE**

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**ABSTRACT**

This paper is anticipated to bring out the essentials about the possibility of mobile electronic commerce. The growth of mobile electronic commerce industry allows people to buy products and their services and in the same way it carries challenges for public. Mobile business has reformed the plan in which mobile subscribers over the world leverage employment on the go. This paper explains about strategic framework of mobile commerce including advanced SWOT analysis of mobile business with five competitive forces Porter Model industry framework for the analysis of industry attractiveness. This analysis is useful for mobile traders. For building a more protected and extensible mobile electronic commerce framework so as to meet the current requirements, we have to take benefits of new technologies and the same time take advantage of the prior one.

**KEYWORDS:** Mobile commerce, SWOT analysis, Porter Model.

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**INTRODUCTION**

The highlighting features of mobile or ubiquitous commerce is creating prospect to bring new innovative services to active customers and to add on new customers, consent to direct access to information on the go, can be made via the internet, private communication lines, smart cards etc. Apart from that users can access the internet connection without to find a place to plug in [1]. The latest trend includes the text messages that are sending by the service provider to the customers that really encourage to new deals.

The mobile technology is the most pervasive communications technology in the world [2]. These days, traders exploit the true power of smart phones to the most excellent promising ways to contact to the patrons. By the help of smart phone channel traders offers discount coupons, many new deals and market their new products. The huge possibilities have released with the introduction of smart phones.

There is major increase in mobile traffic as well as smart phones sales due to rapid growth of mobile commerce endorsement. In 2013 more public will use mobile phones than desktop systems to get online. Gartner Research According to research projections, mobile commerce will cross \$30 billion by 2016, growing at a 40% compound rate, in US alone. Forrester Research Globally, consumers are likely to spend \$119 billion by 2015 through their mobile phones, which will account for 8% of all e-commerce activity.

The report from comScore shows this fact by the help of graph:

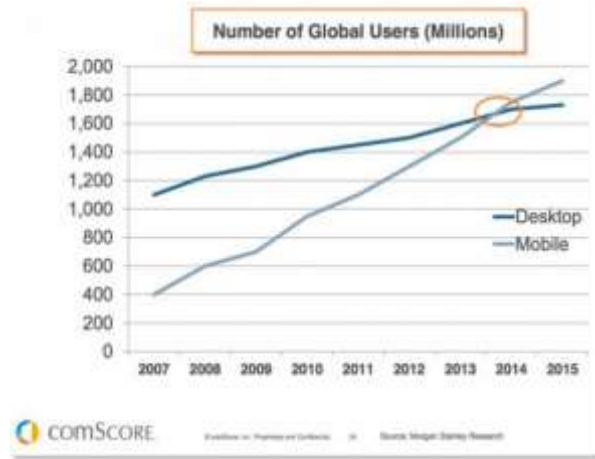


Figure 1: number of mobile users versus desktop users

And here is the current picture of Mobile Commerce in Indian market:

Table 1: current scenario of mobile venture

Factor	Study Report By	Figure
online population	US based firm	283.8 million by 2016
Online sale	ASSOCHAM Deloitte	\$638 million by 2018
Online payment users	Internet and Mobile Association of India	\$1 trillion by 2015

(Source: Economic Times Research Bureau)

### TOOL FOR PRECISE VENTURE: MOBILITY

For venture to perform fast, accomplish its promises, mobility has become usual part of their today’s manoeuvre. Today era is dependent on smart technology. Mobility is a technology that computerizes processes and labour force for growing productivity and profits. These computerize scheduling of work and dispatch services reduce the mental pressure, guaranties the faster delivery of goods and services. The online messaging and managing all the operations by the managers provides the virtual reality feature to the customer.

It entirely removes the paperwork and reporting work, due to this now work force is more oriented towards the core work and gives extra time to innovative practices. The most crucial activity that is payment, also well handled. The icing factor is that now companies directly reach to consumers at their doorstep.

According to the research done by FarEye., enterprises using a robust enterprise mobility solution gets a decrease in delivery complaint calls by 73%, field service cost by 40% and fuel expenses by about 28%. With reduced admin and mobility utility in the hands of field workforce, it leads to an increase in the productivity by 21% jobs per day and with better communication 23% increase in the first success attempt.

Precise venture mobility tool can formulate the trade more supple, transparent and prolific. It provides you with business insights and analytical tools for business forecasting and gain competitive advantage by making customers delighted. [3]

### THE MOBILE COMMERCE STRATEGY FRAMEWORK:

Consists of three main steps:

- a) Strategic planning method for assessing Mobile Commerce: “SWOT”
- b) Strategic formulation
- c) Strategic implementation

**a) Strategic planning method for assessing Mobile Commerce: “SWOT”**

The use of this analysis by a commune group are as follows: to systematize information, offer handy solutions to barriers that may be available while appealing in social change processes, and recognize potential values available that can be stimulated to work against these barriers.

In short this strategic planning method can be used to:

- Finding solutions for hurdles of business
- Classify the barrier that will stop to reach your goals
- Decide the right path that will be most efficient
- Expose possibilities and limitations for revolutionize
- To rework on planning
- To improve reliability of interpretation

The matrix for strategic planning method is divided into four sections. First two sections come under in internal factor of any business and last two sections come under in external factors branching from commune or societal forces.

i) Potential values / Strength

ii) Failing factor / Weakness

iii) Challenging factor / Opportunities

iv) Intimidation / Threat

*i) Potential values / Strength*

- Universal Coverage: now a day's only method for wild coverage of distance is smart phone. Because smart phone is a basic need of any person in his social and business life. So it's very easy to connect with people through mobile commerce.
- Customers deal: in the age of competition all competitors provide unique and better deals to their customers by providing lots of discount coupons and cash back schemes.
- Savings: savings in terms of valuable time of customers and their precious money by mobility tool. The products will be delivered their doorstep at a single click.

*ii) Failing factor / Weakness*

- Smart phone constraint: customers' may exhausted to scroll up and down on a small screen for just one product from thousands of product.
- Technology jeopardy factor: sometimes technology advancements will become curse to existing and established business. Besides that wireless channel have more chances to hack. Still, Mobile Commerce relies on proprietary solutions and there are no standards for Mobile Commerce [4].
- High speed network connectivity: the fundamental need of Mobile commerce is high speed network connectivity for the whole product acquisition process. Otherwise it will become very hectic process.

*iii) Challenging factor / Opportunities*

- Bulky checkout process: each mobile site has their own set of protocols for clearing the process. That's become so time consuming process for customers to enter their details like credit or debit card and shipping addresses.
- Small screen size: smart phones have small screen size to assess the product. Sometimes this problem creates misconception about the product that destroys the customers trust.
- Infrastructure: Infrastructure to set up amalgamation infrastructure that can tie mobile commerce supply chain partners to decrease functioning and processing cost. It also welcomes upcoming expansion and varying business models.
- Right mix of information and services: by the help of GPS physical location of the customer can be trap. All offers and products according to region can be provided using the right mix of information and services.
- Handling customer issues: the most promising challenge is to resolve customer inquiries and issues.

*iv) Intimidation / Threat*

- Operating system confusion: smart phones work on operating system. The most problematic situation for retailers is choosing between iPhone and Android phones and the typical dilemma in between mobile sites versus mobile applications viral. Too many options create too much confusion.

- Payment gateway pain: somehow wireless method easily hacked and personal information of the customers like 16 character credit or debit card details and log in passwords are kept saved in the web browser cookies. But now a day’s many innovative method for payments are in progress.
- Hostile circumstances: like Coping with small screen size, network traffic and breakdown of internet connectivity in between the transaction.
- Security concern: Security is a key enabling factor in Mobile Commerce [5]. Customers want a secure and reliable connection while during mobile commerce. If they get both of these factors while doing mobile commerce then no one can stop for further actions.

**b) Strategic formulation**

For analyzing the attractiveness of any kind of wireless online business using the five forces model given by Porter [6]:

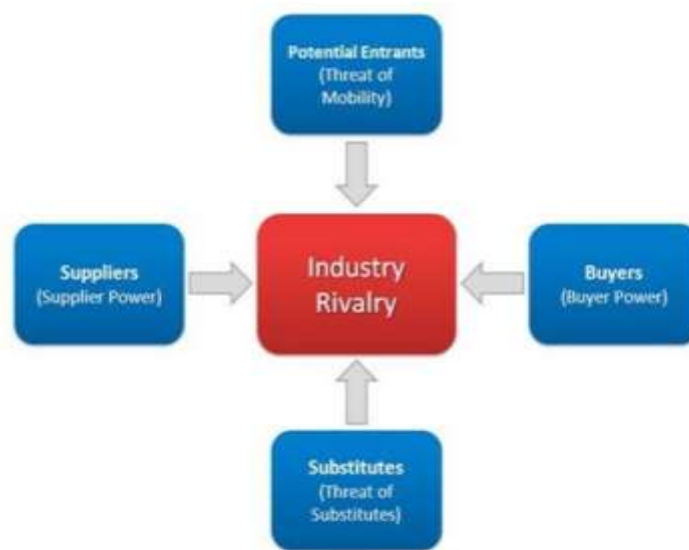


Figure 2: Five competitive forces Porter Model

*i) Bargaining power of suppliers:*

Acquisition over suppliers using the internet tends to increase bargaining power; in fact it can also lift the number of customers gives a common channel for suppliers to reach the customers. Internet acquisition and digital markets favour to give all companies equal chances to access these for suppliers and approaches to standardised products that reduce discrimination. This prominence states that the Suppliers bargaining power is high.

*ii) Bargaining power of channels and end users:*

Successful output volume: As reported by “Economics Times” the estimated digital transaction is hype on paper work. This means that there is giant smart buyer volume.

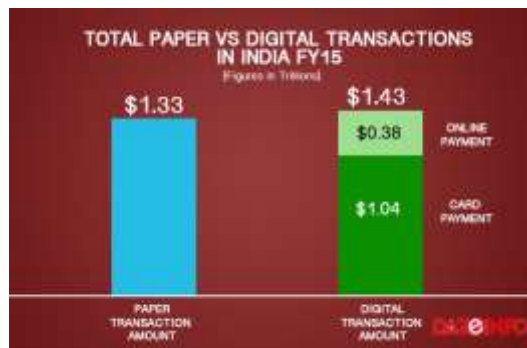


Figure 3: Digital versus paper transaction

iii) Threats of substitutes product or services:

The propagation of the internet creates new substitution threats in terms of number of application developers for almost all types of platforms on the relative price, payment gateway method, quality in terms of user friendliness, security and simplicity.

iv) Barriers to entry:

A flood of new entrants has come into many new entrants in terms of mobile applications by their well established application stores like android has play store. Apart from that there are third party application stores also offer range of applications. The most important barrier is now reducing the number of fishy upcoming developers. If a new developer can catch the requirements of end user well and can commence new and enhanced applications in short duration of time, then this industry has vast prospective for him.

v) Rivalry among existing competitors:

The latest trend of shopping from smart phone so there are many competitors available in the industry to sell many products in the same with competitive rate and discounted offer.

Since the year 2010, mobile's e-commerce traffic share figures have increased from 3.5% to 36.9%, and mobile revenue from \$2 billion to \$42 billion; which is a remarkable increase indeed [7]. Increasing figures for mobile e-commerce traffic reveal the power of mobile that every online business must leverage. Online businesses need to target their potential customers via mobile e-commerce and there are a number of ways for doing the same like prioritizing potential customers, building a good business rapport, getting suitable application developed etc.

c) Strategic implementation

The mobile e commerce implementation strategy includes how to target potential customers through Mobile Commerce and Beat the Rivals. Three methods include:

- Prioritize Potential Customers
- Build Trust, For Its Essential
- Look Out for All Crucial Spots

## CONCLUSION

Over the past few months, the mobile e commerce industry record has reported on the accelerated node, which analysts say reach to higher level. Airtel, Vodafone, Idea a dozens of other companies are initiating new and attractive schemes for internet package to smart phones users.

The target clients are impulse customers who are ready to shop and do commerce wherever they are may be in travelling, eating out, relaxing at home etc. This type of behaviour renovates the individual's life style by fulfilling their requirements using location based services (LBS).

This paper has exposed that the m-commerce forum in India has developed and is rising constantly, and that such development is getting about both opportunities and challenges for industry patrons and supervisory body. It has considered some of the important matters affecting customers in this industry and has observed some of the issues that supervisory body must consider as the industry developers.

Normally the active authoritarian framework and consumer law is competent to conform the challenges offered by m-commerce. Still, in some areas ambiguity occurs. Precisely, information acknowledgement, security and accountability issues and buyer access to restore continue to be areas where supervisory body should remain cautious to certify buyer rights are secured and sanctioned.

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