# Chapter 59
# SWOT Analysis of M-Commerce

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## ABSTRACT

*M-Commerce is availing services online without physically going to geographical locations such as banks, shopping malls etc. It is a customer-driven approach offering convenience of personalized marketing, selling and purchasing goods and services on mobile phones. From selling home-made chocolates to selling apparels online, it has invaded all. Smartphones has widen its reach and has introduced innovation in information exchange and transactions through mobile applications. Certain challenges and threats posed by M-commerce, which are faced by business organizations and customers, are analyzed via SWOT to aid decision making of organizations before shifting their focus on M-commerce, at the same time, of customers prior to sharing their sensitive information via smartphones. This chapter focuses on the feasibility and acceptability of M-commerce with the help of SWOT analysis amongst existing and prospective stakeholders. Detrimental factors leading to growth in business revenue, challenges for implementing technology, challenges faced by end-users etc. has been discussed in detail.*

## 1. INTRODUCTION

The developments in the field of information technology has fuelled immense growth in the digitization of products and services.It has made the adoption of e-commerce as a widely accepted field. E-commerce is trading of products and services by means of supporting hardware, software (computer) and inter-network tools together contributing as a computer network.The trading is carried out with the help of wired and wireless media. The benefits of e-commerce such as efficiency, 24X7 services, competitive pricing, variety in item selection etc. has outnumbered the resources required in the initial setup of the e-commerce websites. The advances in modern Internet EC, including advertising, shopping, investing, banking and other online services (e-mail, information seeking, etc.) has made facilitated people to interact with the Internet in their daily lives (Wu & Wang, 2005). The increasing number of internet users and

their pressing needs for service-on-the-move has led to an advancement of e-commerce. This advancement can be seen in the form of m-commerce. M-commerce refers to any transactions, either direct or indirect, with a monetary value implemented via a wireless telecommunication network (Barnes, 2002). Ovum defined M-commerce as "The core of mobile e-commerce is the use of a terminal (telephone, PDA, PC device, or custom terminal) and public mobile network (necessary but not sufficient) to access information and conduct transactions that result in the transfer of value in exchange for information, services or goods." Many factors contribute in the inclination of society towards m-commerce such as wireless communication technology, coupled with the increasingly high penetration rate of the Internet (Pascoe, 2002; Rupp, 2002), smart phones within the purchasing power of a common man, availability of internet over mobile phones, availability of services at economical rates etc. Mobile devices allow people and businesses to stay in touch around the clock. They have enabled new forms of learning, health care, economic development, and governance innovations (West, 2014). Mobile telephony offers the potential platform for unprecedented penetration of the Internet and services for supporting m-commerce (Barnes, 2002). 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 (Batra, 2013). Inspite of the above factors, perceptions of people regarding mobile commerce and their acceptance are, sometimes, detrimental for the growth of m-commerce. Some users consider m-commerce as immature technology while others vacillate against m-commerce based transactions. Form some people, without m-commerce, their daily life shall be so chaotic that their survival without it can't be imagined.

It becomes all the more difficult to trade-off between the pros and cons of this rapidly increasing technology over mobile phones. Hence, it is obligatory to conduct a SWOT analysis of m-commerce to understand the concerns and needs of the user with respect to their expectations from the technology. SWOT analysis conducted in this research aims to identify the strengths, weaknesses of m-commerce society and the opportunities and threats that persists in this technocrat society. A detailed SWOT analysis has been conducted in the further sections so as to understand the direction where m-commerce is proceeding and the expectation of the customer from it.

## 2. LITERATURE REVIEW

The origin of mobile commerce can be related to late 1990s, where in it was used for traditional purpose of calling and sending SMS. Later, with the inception of e-commerce, there was a drift change in purchasing goods online with a decline services availed by the customers from brick-and-mortar setup. This state-of-art technology faced a setback with the emergence of m-commerce, as a challenge for the industries, while a blessing for the customer. Several researchers studied the reasons indicating the reasons for the origin of m-commerce. A major factor in the adoption of any technology is the human social factor. Fulk (1993); Schmitz and It was suggested that information passed through individuals' social networks (Fulk, 1991) as well as the beliefs of users (Cheon (2012)) influences their perception of a target technology. Typical in wireless mobile environment, for an individual to use the data services of a mobile device, a certain number of members of the subject's social network need to be users of the same features (Sarker and Wells, 2003). Dholakia (2004) proposed some preconditions leadingto the emergence of m-commerce identifying the main dimensions of m-commerce which distinguished itfrom e-commerce. Lu (2005) proposed models to study the relationships in non-work settings among

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