Chapter X

Mobile Portals: The Development of M-Commerce Gateways

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“[Mobile Internet] is going to be the most fantastic thing that a time-starved world has ever seen.”
Jeff Bezos, CEO, Amazon.com (KPMG, 2000, p. 4)

ABSTRACT
The proliferation of mobile Internet devices is creating an unparalleled opportunity for mobile commerce. Factors composing a productive M-commerce portal development strategy are investigated to improve a company’s strategy. Also explored are the nonpareil benefits of mobile applications to introduce a five-step approach for developing an effective mobile portal strategy.

INTRODUCTION
In this new decade, marketing is poised to witness an unprecedented explosion of mobility, creating a new domain of mobile commerce (Kalakota & Robinson, 2002). Mobile commerce, or M-commerce, is the ability to purchase goods anywhere through a wireless Internet-enabled device (e.g., cellular phone, pager, PDA, etc.). M-commerce refers to any transaction with monetary value that is
conducted via a mobile network. It will allow users to purchase products over the Internet without the use of a PC. Once nonexistent, M-commerce is now the buzzword of the marketing industry (King, 2000). “Within five years, individual E-commerce services will be primarily delivered by wireless, and the wireless terminal will become the window of choice to the transactional E-world,” says Neil Montefiore, executive of Singapore mobile operator, M1 (Hoffman, 2000, p. 2).

Over the past few years, the marketing of E-commerce has become increasingly reliant upon portals to attract and retain users. Portals are the preferred starting point for searches that provide the user easily customizable architecture for finding relevant information. Portals provide the valuable gateways for getting users to their desired destinations. About 15% of all web page-view traffic goes through the top nine portals, making them some of the most valuable land on the web (Monohan, 1999). This heavy traffic flow gives the web-based portal a unique position in the corporate E-commerce strategy with even greater potential influence for mobile applications. For mobile devices, these portals take on even greater significance, as consumers are unwilling to spend long periods “surfing” on these inherently less user-friendly wireless devices. By the year 2006, 25 million people are expected to be dedicated wireless portal users (Carroll, 2000). Therefore, the success of M-commerce may be partially dependent upon the successful development of effective consumer-oriented mobile portals.

As M-commerce success will likely depend upon maintaining consumer utilization of these gateways, the companies that leverage the unique characteristics of wireless devices will gain exploitable advantages in the mobile marketplace. Due to current technological limitations, and varying mobile consumer behavior patterns, portals developed for mobile devices must emphasize differing characteristics than traditional web-based portals. As such, many traditional portals may be unsuited for application in the mobile world.

“Traditional portals are not providing information that is specific enough for the user of a mobile portal. They are not able to incorporate location-specific information nor do they have the data and knowledge of each customer that the mobile operator has.”

(Durlacher Research, 2000, p.65)

Despite tremendous interest in the melioration of M-commerce, there is little, if any, research that examines how to develop and integrate portals into a comprehensive M-business strategy. Utilizing conventional portals may be insufficient in the mobile wireless world. Therefore, the primary purpose of this chapter is to explore the factors that compose a productive mobile portal strategy. The nonpareil benefits of mobile portal applications are investigated and a process is introduced for effective mobile portal strategy development. An enhanced under-
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