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Why Has it Become So Crucial to Integrate M-commerce With E-commerce?

With content discovery and consumption occurring more and more on the apps, it is but natural that m-commerce needs to be an integral part of the product roadmap right at the beginning.

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M-commerce has never been separated from e-commerce. M-commerce has always been considered as part of the e-commerce industry. It is time to discuss the same separately. E-commerce has witnessed phenomenal growth in India in the last five years and is expected to grow from USD 39 billion revenue in 2017 to USD 120 billion by 2020, CAGR of over 50% according to a report by IBEF. Now, is the turn of m-commerce. What has contributed to the growth of e-commerce is the penetration of internet. Today, there are 480 million plus internet users with 80% of them in urban India and 20% in rural India.

M-commerce has the potential to outgrow e-commerce in the next few years. However, the growth depends on important structural changes related to technology, industry and users. Mobile communication technology, smartphone penetration, mobile software application developments and regulatory environment would unleash the potential of m-commerce. In terms of mobile communication technology, 4G LTE/VOLTE technology is well established and is available pan-India, thanks to the disruption initiated by Reliance Jio.

Lines Would Blur Between E-commerce and M-commerce

According to **Dr. D. Sriram**, Associate Professor, Marketing, **Great Lakes Institute of Management**, Chennai, mobile apps will only continue to improve, expand and redefine customer experience. “Customized mobile apps, increased multi-media content, mobile image recognition and near-field communication technologies will help organizations to fine tune, customize and deliver a unique experience to customers,” he opined.

With the Government focusing on cashless digital economy and promoting the same through ‘Digi DhanVyaparYojana’ and ‘Lucky GrahakYojana’ initiatives, regulatory support for the industry is expected to continue. Paytm has been a big beneficiary of government’s push to digitization and has since successfully transformed UPI into a viable m-commerce model. With Google Tez and WhatsApp P2P beta, competition is heating up. Imagine the 200 million plus Whatsapp users in India, transacting on the platform to buy goods and services. This would really unleash the power of m-commerce in India.

Dr. Sriram also feels that like the omnichannel model, blurring the lines between traditional and online retail, lines would blur between e-commerce and m-commerce. “A transaction could be initiated through the website and consummated through a mobile app and vice-versa. Similar would be the convergence in terms of e-wallets and other forms of digital payments to complete transactions. So it is time we integrate the two models technologically,” he predicted.

Making Happy and Informed Customers is Critical

M-commerce enables people to make and follow through on a decision to purchase something anywhere, anytime. Customers now expect additional services with their online purchases, such as the ability to track their order. Through GPS-enabled tracking technology, customers now know precisely when their order is being dispatched and delivered. Notifications are sent to the customer's mobile device in real-time, which leads to reductions in human resource costs because you no longer have to communicate with your customers over phone or email about their order status. All of these benefits ultimately lead to a higher customer satisfaction rating because the customer is more informed about how, where and when their order will be delivered.

Christian Chadwick, Director, **Whipped.in**, a unit of SWS hospitality Pvt. Ltd feels by opening up your business to m-commerce, you're massively increasing your customer base and also the frequency in which a customer might order from you.

"With the meteoric rise of the payment wallet, such as Paytm or Mobikwik, customers are encouraged with the offer of big discounts, to order through and pay for products through their mobile device. This enables the customer to save time and money. M-commerce integration also offsets business risks if and when internet connectivity is down or intermittent. A lot of m-commerce platforms can function offline, ensuring that any downtime for a business is limited," he pointed out.

Needs to Be an Integral Part Right at the Beginning

eMarketer had predicted that the e-commerce sales around the world will be over USD 2 Trillion by 2017, and in India and China, 70% of the sales will be made through mobile devices. Being a commerce company and being present across multiple platforms, this figure doesn't surprise **Sachin Jaiswal**, CEO, **Niki.ai**, after looking at all the data he has.

"It's not just about the smartphone and internet penetration though, it's about 24 x 7 accessibility, the ease and convenience with which one can get tasks done on one's phone. At Niki.ai, we're trying to do that by completely transforming the way commerce is done. We are using the power of simple texts and conversations, after witnessing what messaging and mobile can do together, thus bringing conversational commerce to the users," he shared.

Also, with content discovery and consumption occurring more and more on the apps, it is but natural that m-commerce needs to be an integral part of the product roadmap right at the beginning.

In the case of **Timesaverz**, an e-home services company, given the stage of evolution that the online home services industry is in, the initial discovery still continues on the website but the repeat purchase is invariably from the app. "Plus the growing dependence on wallets as a mode of payment, obligates a m-commerce leg to the business operations for higher adoption," opined **Debdutta Upadhyaya**, CEO and Co-Founder, **Timesaverz**.

Helps Create Value and Deliver Growth

The online market space in the country is burgeoning in terms of offerings. If you take the example of the pet food industry as well pet food e-commerce growth is rapidly changing the industry as a legitimate retail chain.

Being a shelf-stable item pet food is especially suited for e-commerce. According to industry reports, dog food e-commerce alone grew by over 90% while cat food online sales grew by over 60% in the last year. This impact has also seen **Mars Petcare** drive its digital transformation agenda, where the company has used both these platforms to drive effectiveness across all channels and bring Mars closer to its customers.

“Pursuing both digital solutions simultaneously has helped us build strong mutual partnerships between key vendors, business partners and customers and has helped us achieve Mars Incorporated vision of ‘Making the world better for Pets’. It has helped us create value for all our partners and deliver growth in line with Mars Incorporated principles- Quality, Responsibility, Mutuality, Efficiency and Freedom,” notified **Nitin Kulkarni**, Director Corporate Affairs, **Mars International India**.

Decline in Customer Loyalty for Not Having a Mobile App

Given such trends, e-commerce biggies have been rapidly transitioning to mobile. “An Appetitive survey noted that 66% companies saw a decline in customer loyalty for not having a mobile app. In such a scenario where customer shopping behavior is dictating industry trends, instead of integrating m-commerce with e-commerce, one should actually be focusing on shifting to m-commerce entirely. After all, this is a logical progression that is bound to happen,” asserted **Vishwa Vijay Singh**, **Co-founder, Salebhai.com**

Some Roads Yet to be Covered

However, **Olga Andrienko**, Head of Global Marketing, **SEMrush** - a competitive intelligence suite for online marketing, from SEO and PPC to social media and video advertising research - feels the amount of shopping done on mobile is growing incredibly fast but hasn't exceeded the desktop. Based on the E-commerce study by SEMrush people still are shopping more on the desktop than on mobile (56,98% vs. 43,02%).

“So far mobile is used for browsing and exploring, rather than for purchase. So in many cases, the purchase happens on the desktop not because the customer is not ready to buy, but because the mobile site interface is not yet convenient enough for the customer. And as quickly as the websites embrace this shift to the mobile world, they will see their numbers increase,” informed Andrienko.

She further asserted, “Is the usability or buying process on your website so easy, that a kid would be able to do it via a digital assistant? If not, you're already losing business to the biggest websites who adapted to the change to m-commerce.”

What is irrefutable is a young India glued to mobile devices and the need to have a common user experience, whether it is through a mobile device or website. Organizations will, however, be interested to know how their websites are doing differently from their mobile apps in terms of acquiring and retaining customers. For the consumers, times have never been so good and better times are ahead!

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