

## **M-Commerce: Micro Payments, Regulatory Challenges and Emerging Markets**

**Muhammad Aslam Hayat**

Telecom Regulatory Consultant to GrameenPhone, Bangladesh

Email: [aslamhayat@gmail.com](mailto:aslamhayat@gmail.com)

### **Abstract**

M-commerce is the next generation of today's PC based wired, e-commerce technology. The evolving success of mobile communication is transforming e-commerce (wired environment) into m-commerce (wireless environment) and users of mobile devices (PDAs, smart phones etc.) are considered as a large group of potential market. It is expected that mobile and wireless system will control Internet industry in future and it will materialize e-commerce and m-commerce into a singular blended entity. With rocketing number of wireless service subscribers, mobile phone is treated as more convenient, immediate and personalized via for consumer transactions.

The paper would highlight that M-commerce is creating entirely new service opportunities and have gained much attention with consumer oriented products and applications.

Paper will also examine a recent study of GSMA, where it has been predicted that mobile phone could actually replace credit or debit card. A joint report from GSMA, IFC and infoDev found that mobile enabled commerce services can address a major gap in developing countries that is critical to their social and economic development. According to a recent study from Juniper Research, the global m-commerce market will be a *US\$ 88 billion* industry by 2009. The study reveals mobile entertainment application and ticket purchase will make up over 44% of the \$88 billion global m-commerce market.

Paper would also include m-commerce technological landscape like:

- Network Technologies
- Mobile devices
- Services development technologies
- Enabling standards

The paper shall then identify challenges, which may hinder adaptation of m-commerce like; technical limitations, security challenges, high rates for data services etc. The Paper shall also look at regulatory and legal challenges posed to the development and spread of M-commerce.

Towards the end paper would include case-studies from selected emerging markets:

- Where m-commerce is already there in form of sale of content and micro-payments;
- Financial applications such as m-banking are already popular in the Philippines, which enables users to check their bank account details and pay bills;
- International funds transfer through cell phones as announced in last GSMA conference by one of Indian cellular operator;
- Use of micro-payments through balance transfer by poor people using Grameen Phone of Bangladesh.