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**Module – 08**  
**E-commerce: Digital Markets, Digital Goods**  
**Lecture – 39**  
**Social Commerce & M - Commerce**

Hi, so and this is our last lecture on in this particular module on E-commerce! So, far we have discussed about, you know the essential characteristics of e-commerce business that differentiate it from its physical counterparts.

And then we had also discussed about B2C e-commerce business models and revenue models, B2B e-commerce business models, some unique business models, and today in this particular session, we will be talking about two very essential variants of e-commerce – social commerce and mobile commerce. So, let us move on and see what these are.

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**Social Commerce**

- Social Commerce is based on the idea of digital **social graphs**.
- Digital social graph is a mapping of all significant online social relationships.
- In an inter-connected social network, the products and services you buy will influence the decisions of your friends, and their decisions will in turn influence you.
- Marketers should take advantage of the fact that people are enmeshed in social networks, share interests and values and communicate and influence one another.

Social commerce; social commerce is based on the idea of digital social graphs. Digital social graph is a mapping of all significant online social relationships, which means that if in the social world you are connected with 10 people and each of those 10 people are

in turn connected with 10 others. So, this network is, can be considered as a digital social graph.

Now, in an interconnected social network, the products and services you buy will be will influence the decisions of your friends, and their decisions will in turn influence what you buy. So, this I think all of you would have experienced, that you know because today through social network, all of you are interconnected with your friends and relatives.

So, what they buy will in a way impact your decision to buy a particular product, and your you know the fact that you have bought a particular product and you have shared that information with your friends and acquaintances, they might be influenced to buy that particular product.

So, marketers should take advantage of the fact, that people are enmeshed in social networks, share interests and values and communicate and influence one another. So, this can be a huge you know, it can benefit marketers in a huge way, and they can take advantage of the fact that people are networked. And because they are networked, they share their opinion, their values, their interests and they influence one another.

So, if you can you know maybe for marketers if they can take care of interests of one person in a particular social graph, they can address or they can actually get access to multiple others that person is actually connected with.

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**Social Commerce**

- Online communities are also ideal venues to employ viral marketing techniques.
- Viral marketing in an online community spreads at the speed of light and goes much faster geographically than a small network of friends.
- “The wisdom of the crowd” is often used by companies to source advice, funds, ideas from users on social media. Examples: Kickstarter, Milaap, etc.

The slide features a central graphic with social media icons (Facebook, Instagram, Twitter, LinkedIn, Pinterest) and a shopping cart icon. A small video inset in the bottom right corner shows a woman with glasses and a pink shawl speaking.

So, with that social commerce, you know social commerce by it you mean e-commerce that is conducted through the help of social network such as, here we have several examples. So, we have Facebook, Instagram, Twitter, LinkedIn, Pinterest, so all of these play a very important role in e-commerce.

Online communities are also ideal venues to employ viral marketing techniques. Viral marketing is an online in an online community spreads at the speed of light and goes much faster geographically, than a small network of friends.

So, I think you would agree with me, when I say that in the physical world for an, for a marketing campaign to reach you know 100 people in a particular community is much more difficult compared to reaching an online community. So, the viral marketing campaign in an online community spreads much faster compared to that in a small network of friends, in the physical world of course.

So, “the wisdom of the crowd” I think, we had used this term wisdom of the crowd before also when we had discussed crowd funding. Wisdom of the crowd is often used by companies to source advice, funds, ideas from users on social media.

So, when we said that these companies we have we were talking about companies like Kickstarter, I had also spoken about quick Quirky, which all of these actually source ideas from the crowd or funds from the crowd. So, many of these actually operate through the help of social media.

So, social media facilitates gathering or collaborating the wisdom of the crowd in a much bigger way, so, Kickstarter is a popular example. Milaap is another popular social you know it is a crowdsourcing platform which operates through social media again.

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**Features of Social Commerce**

- **Newsfeed:** A stream of notifications from friends and advertisers that social users find on their home pages.
- **Timelines:** A stream of photos and events in the past that create a personal history for users, one that can be shared with friends.
- **Social sign-on:** Web sites allow users to sign into their sites through their social network pages on Facebook or another social site. This allows Web sites to receive valuable social profile information from Facebook and use it in their own marketing efforts.

So, moving on features of social commerce, news feed; news feed is a stream of notifications from friends and advertisers that social users find on their home pages. I think all of you would have seen news feed on your home pages.

Timelines – a stream of photos and events in the past that create a personal history for users one that can be shared with friends. So, you have timelines on your social media platforms.

Social sign-on – webs there are a lot of websites that allow users to sign into their sites through their social network pages on Facebook, Google plus or any other social site. This allows, so this is very beneficial not only for the user because the user gets to login to the site very easily through their social media platforms.

For the site also it is very useful because, they can you know quickly collect information about the user from their social media platforms. So, lot of valuable information such as the users' interest, the users' hobbies, and the users' likes and dislikes can be easily collected from the social media platforms and can be used by the company in their own marketing efforts.

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**Features of Social Commerce (contd...)**

- **Collaborative shopping:** Creating an environment where consumers can share their shopping experiences with one another by viewing products, chatting, or texting. Friends can chat online about brands, products, and services.
- **Network notification:** Creating an environment where consumers can share their approval (or disapproval) of products, services, or content, or share their geo-location, perhaps a restaurant or club, with friends.

The slide also features a row of social media interaction icons (thumbs up, thumbs down, and various emojis) and a text box that says '5 comments'. A video inset in the bottom right corner shows a woman with glasses and a pink shawl speaking.

Other features of social commerce are collaborative shopping. So, creating an environment, where so, where, consumers can share their shopping experiences with one another by viewing products chatting or texting.

So, collaborative shopping; I think, most of you would have experienced this. Friends can chat online about brands, products and services. So, social media facilitates this collaborate concept of collaborative shopping in a big way. Now, the next you know feature of social commerce that we would like to discuss is network notification.

Creating an environment where consumers can share their approval or disapproval of products, services, or content, or share their geographical location, perhaps you know, whether they are in a restaurant or club with friends. So, they can share that the particular information.

In Facebook, for example, if you are checking into a particular venue or a location you can share that information for your friends and acquaintances to know that you are there. And also you know today this I have taken this from Facebook. So, there are so many ways in which you can share your opinion about products.

So, approval, disapproval is there, then you have you know if you are angry about a particular product, or say you are sad that you bought that particular product you can use these you know emoticons and using them you can actually given your opinion. So,

network notification notifying your followers, friends and others that about your opinion about a particular product that you might have purchased.

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**Features of Social Commerce (contd...)**

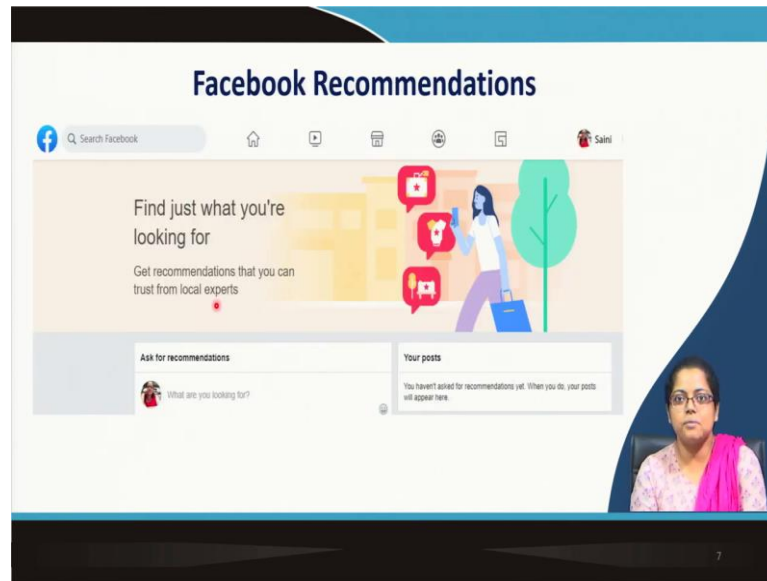
- **Social search (recommendations):** Enabling an environment where consumers can ask their friends for advice on purchases of products, services, and content. While Google can help you find things, social search can help you evaluate the quality of things by listening to the evaluations of your friends, or their friends. For instance, Amazon's social recommender system can use your Facebook social profile to recommend products.

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Social search: this is another very important feature of any social commerce platform. So, enabling an environment where consumers can ask their friends for advice on purchases of products, services and content.

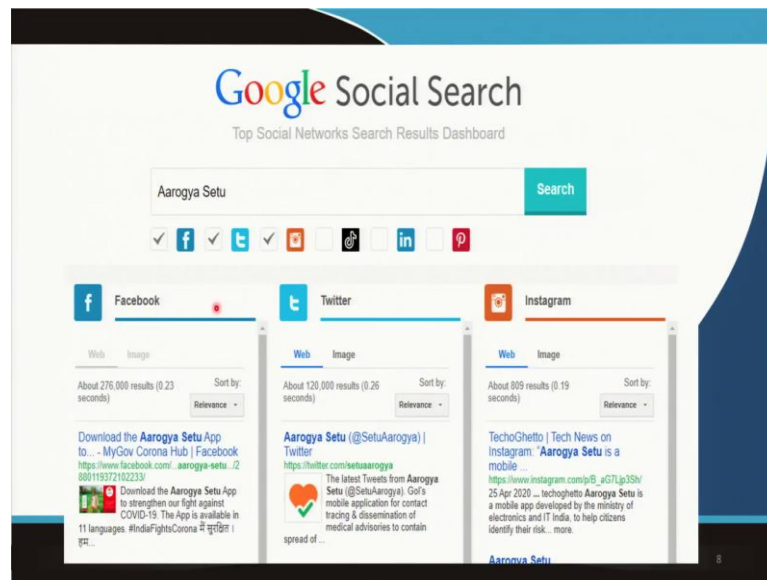
While Google can help you find things, social search can help you evaluate the quality of things by listening to the evaluations of your friends, or their friends. For instance, Amazon social recommender system can use your Facebook social profile to recommend products.

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So, this is something that Facebook provides you, Facebook recommendations. If you want to obtain information about any particular place or a maybe a product or a restaurant from your friends and their friends, you can search it on Facebook through this particular profile and you can get their opinion.

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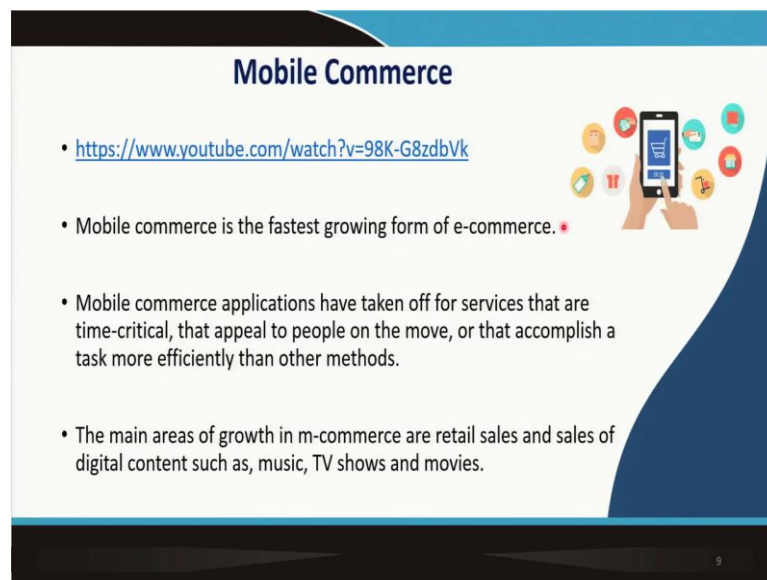


So, another very interesting feature that I would want to share is Google Social Search. So, social search is a feature that Google provides which helps you to search for any particular term or concept or a product, if you search this you can search it on multiple

platform. So, here there are multiple platforms such as Facebook, Twitter, Instagram, Tik-Tok, LinkedIn and Pinterest.

So, if you select 3 out of 6, you can get all information that has been shared on these 3 social media platforms pertaining to this particular term Aarogya Setu. Or if you would want to search on all 6 platforms, you can get information about all 6 platforms. So, this in a way would help you know about what has been shared on different social media platforms about any particular product or any particular term that you are searching; alright.

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**Mobile Commerce**

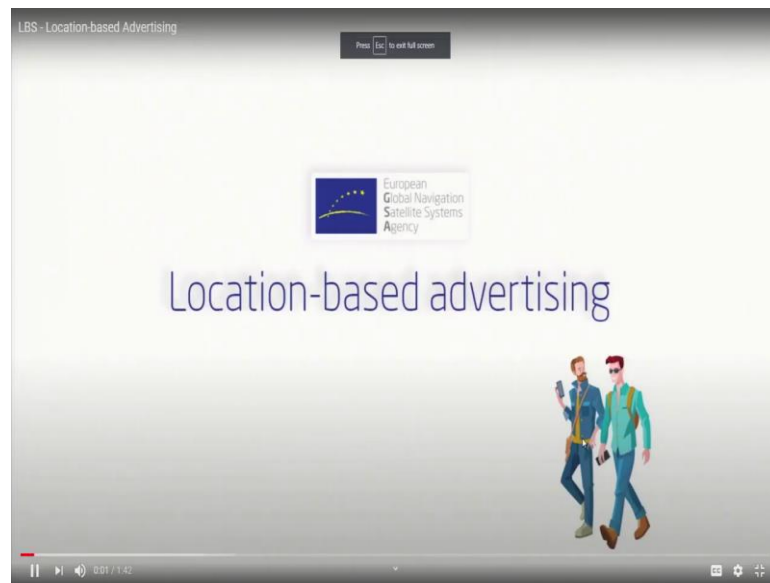
- <https://www.youtube.com/watch?v=98K-G8zdbVk>
- Mobile commerce is the fastest growing form of e-commerce. \*
- Mobile commerce applications have taken off for services that are time-critical, that appeal to people on the move, or that accomplish a task more efficiently than other methods.
- The main areas of growth in m-commerce are retail sales and sales of digital content such as, music, TV shows and movies.

So, moving on, so since we have spent quite some time on social commerce just to you know summarize, social commerce you know enables is the use of social media platforms to facilitate e-commerce, and that happens through multiple social media platforms taking into consideration their features such as timelines, news feeds, collaborative shopping, you know recommendations, searching for recommendations and so on. So, that is about social commerce.

So, moving on, if we let us talk about mobile commerce. So, before that let us watch a small video. Let us begin with that.



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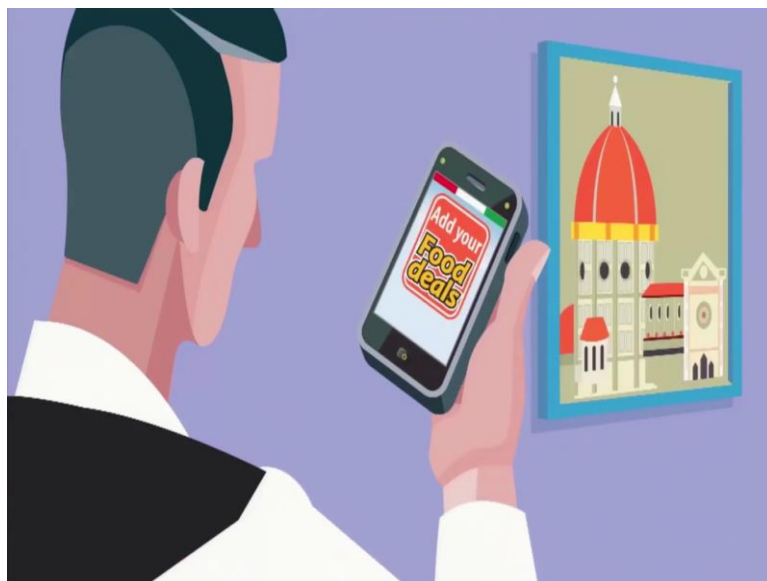


Antonio is proud of the regional food he serves in his restaurant located in the historic center.

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But he is struggling to show people what is on offer and stand out from the crowd. He decides to try a new form of advertising based on location.

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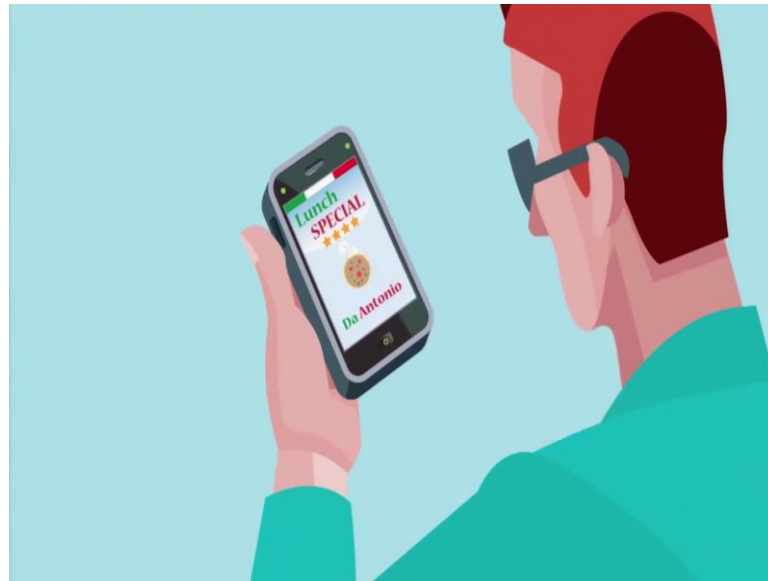
People in the street walking towards his restaurant can see the menu using specialized apps.

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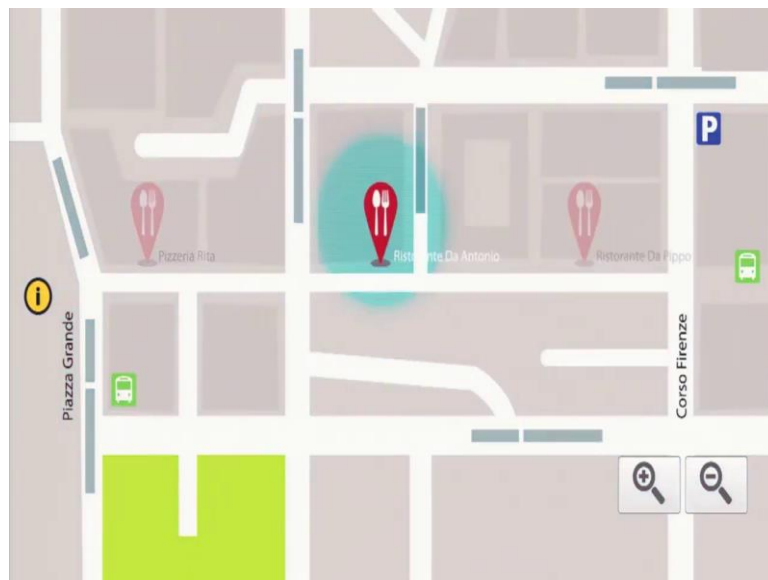
Theo and John are looking for a tasty and local meal, but do not know the city. They decide to use a restaurant app.

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And get notified of Antonio's special lunch menu. They love what they see, and immediately know that Da Antonio is what they were looking for.

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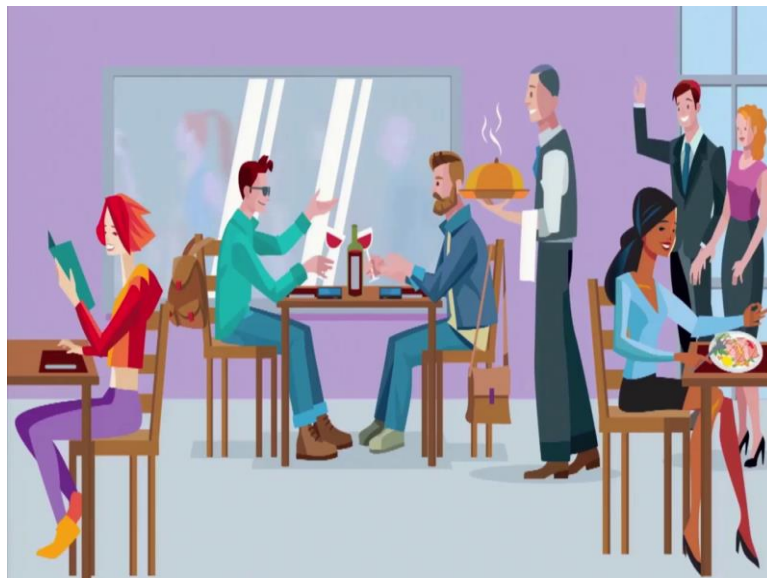


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Galileo will add more satellites to existing constellations and make positioning a lot more precise especially in urban areas.

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This allows geo targeted advertising to be more relevant and effective.

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How to bring the proper information the end user is interested in through the end user?  
And this is the question.

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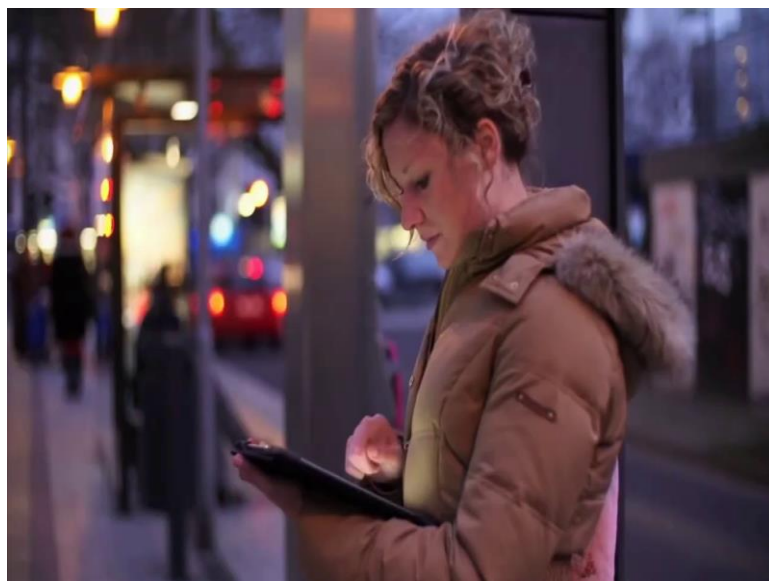
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We have more Smartphones by now or more mobile phones than we have people this is a huge opportunity to have access to people to provide them with information.



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And you can see such kind of applications already such as location based services such as navigation solutions on your Smartphone.

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And you may use of it and with the quality of signal, of course, you have more secure services.

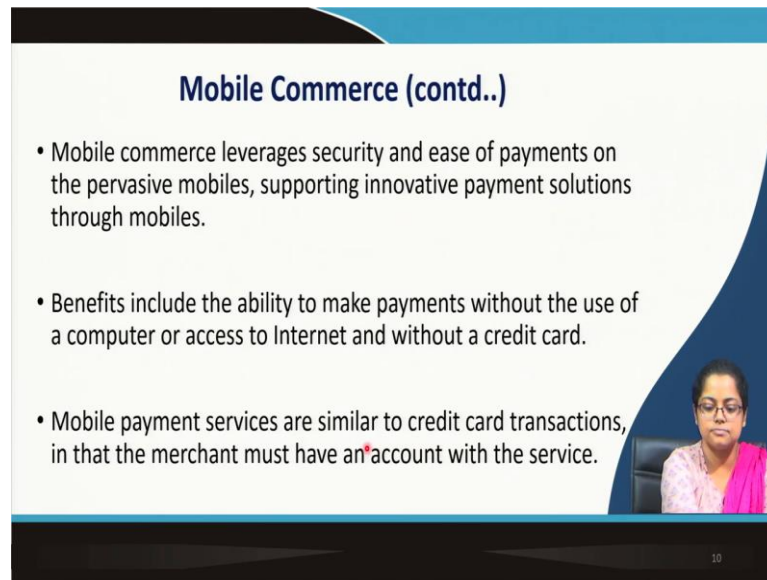
So, I hope you loved this particular video on mobile commerce. So, it talks about the power of mobile phones, and how mobile phones facilitate e-commerce in a big, big way. So, in see every individual that you would see you know if you see a room, where there are that there is a father, mother and two children, each one is on his or her mobile phone.

So, mobile phones or Smartphones have become so predominant in the world around us that we cannot imagine 1 minute of our life without them. So, therefore, mobile commerce is the fastest growing form of e-commerce. Mobile phones facilitate a lot of you know whatever you used to do in your daily life before, a lot of those activities and beyond have been facilitate by mobile phones. And one of those activities is e-commerce which has been facilitate in a big way through mobile commerce.

So, mobile commerce is the fastest growing form of e-commerce. Mobile application mobile commerce applications have taken off for services that are time critical, appeal to people on the move, or that accomplish a task more efficiently than other methods. So, people who are constantly on the move, people who are you know oppressed for time for them mobile commerce is a huge hit, and it has taken off in a big way.

The main areas of growth for growth in mobile commerce are retail sales of course, that has to deal with M commerce, and sales of digital content such as music, TV shows, and movies.

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**Mobile Commerce (contd..)**

- Mobile commerce leverages security and ease of payments on the pervasive mobiles, supporting innovative payment solutions through mobiles.
- Benefits include the ability to make payments without the use of a computer or access to Internet and without a credit card.
- Mobile payment services are similar to credit card transactions, in that the merchant must have an account with the service.

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So, with the arrival of mobile commerce, you would see not only e-commerce has got facilitated not only retail sales has got facilitated, movies, you know music, all of these things have got the sharing of these and the you know consumption of these have actually increased manifold after the arrival of mobile phones or Smartphones. Mobile commerce leverages security and ease of payments on the pervasive mobiles, supporting innovative payment solutions through mobiles.

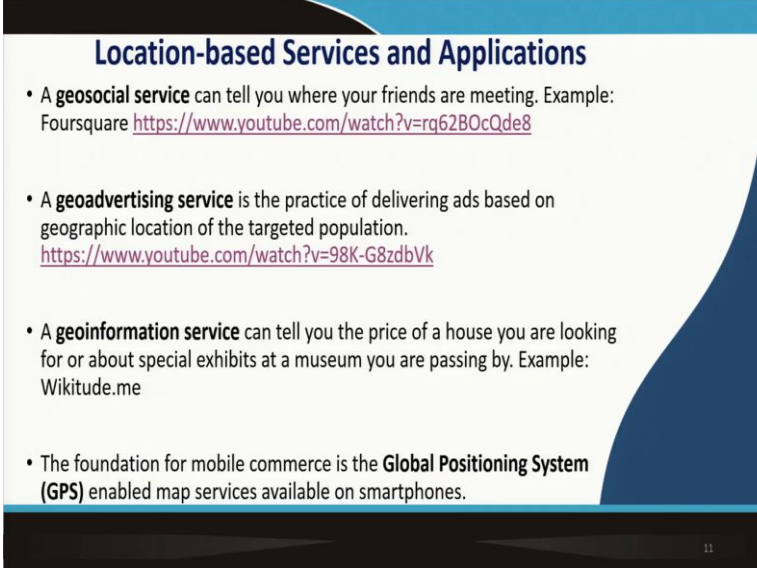
So, today you see there are lot of innovative payment solutions through mobile phones, they use unified payment interfaces to facilitate you know e-commerce transactions within a few seconds. So, you do not have to go on and perform net banking, you do not have to go every time and use your credit card you can just use some of these innovative mobile commerce payment solutions, and you can transact easily or make payments easily.

Also mobile commerce applications are in general very secure because a lot of security features are enabled into these applications. Benefits of mobile commerce include the ability to make payments without the use of a computer or access to the internet and without a credit card.

So, you do not need to log in your credit card details every time you make a transaction now that could make it very in you know because credit card details can be easily stolen. So, your transactions could be susceptible to data theft, but with innovative e-commerce m-commerce solutions that is not a problem anymore.

And also even without access to the internet even without having a Smartphone, using a feature phone you can make payments and perform certain e-commerce transactions. A mobile payment services are similar to credit card transactions in that merchants must have an account with the service, so, this is an obvious fact. Now, these are some of the facilities or some of the advantages that mobile commerce provides us.

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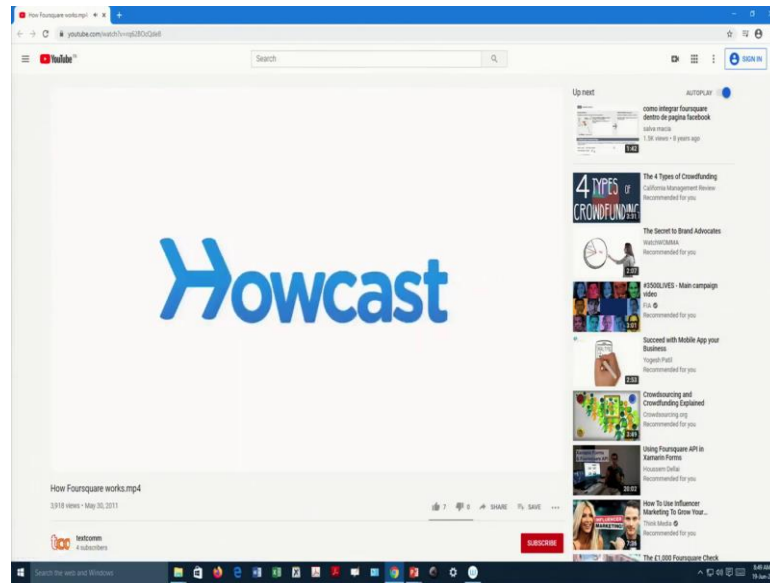
**Location-based Services and Applications**

- A **geosocial service** can tell you where your friends are meeting. Example: Foursquare <https://www.youtube.com/watch?v=rq62BOcQde8>
- A **geoadvertising service** is the practice of delivering ads based on geographic location of the targeted population. <https://www.youtube.com/watch?v=98K-G8zdbV/k>
- A **geoinformation service** can tell you the price of a house you are looking for or about special exhibits at a museum you are passing by. Example: Wikitude.me
- The foundation for mobile commerce is the **Global Positioning System (GPS)** enabled map services available on smartphones.

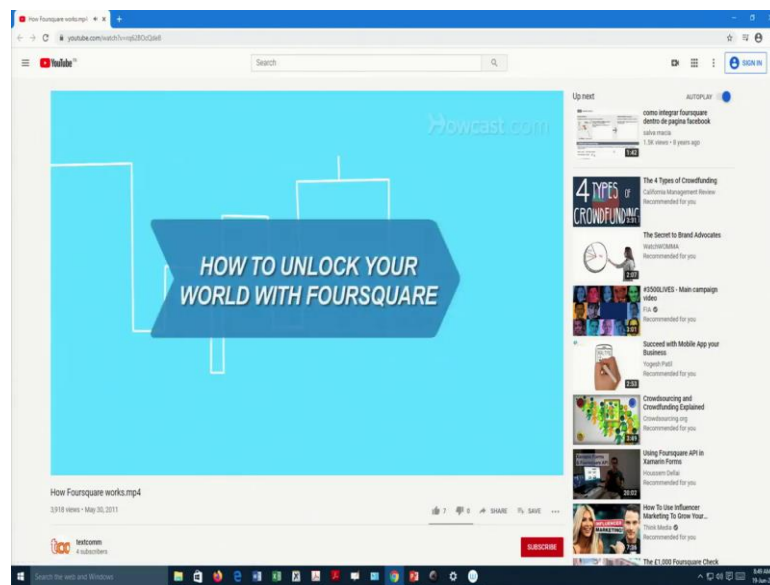
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Now, moving on let us focus on certain location-based services and applications that are facilitated by mobile commerce. A geosocial service, what is it? A geosocial service can tell you where your friends are meeting. So, if you have a geosocial service on your mobile phone, you can know where your friends are meeting and you can also go and join them. Example of a geosocial service is Foursquare. So, let us have a look.

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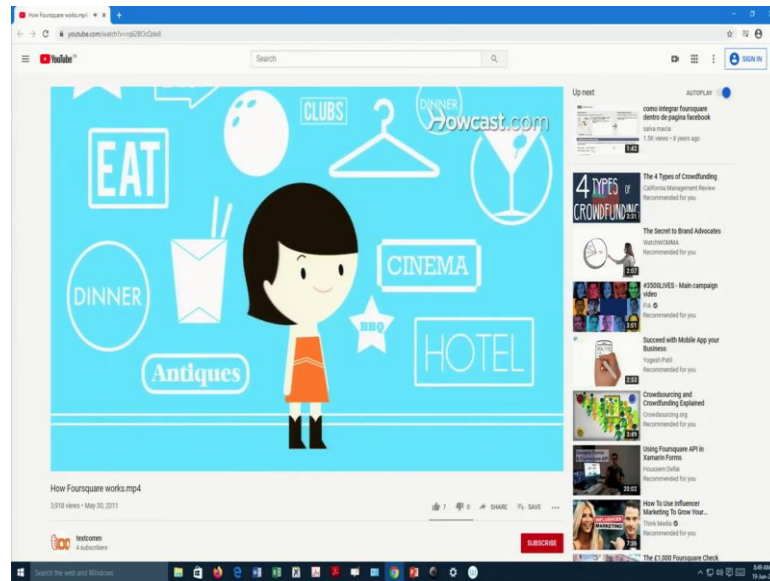


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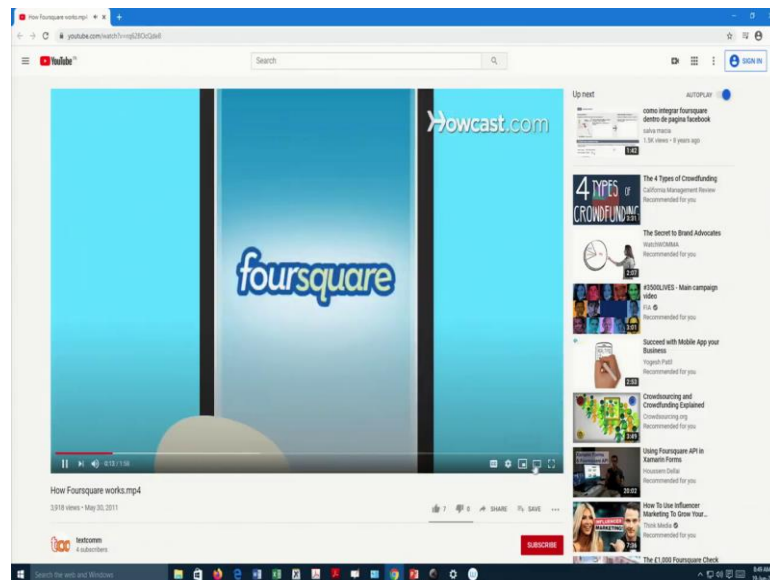
How to unlock your world with Foursquare?

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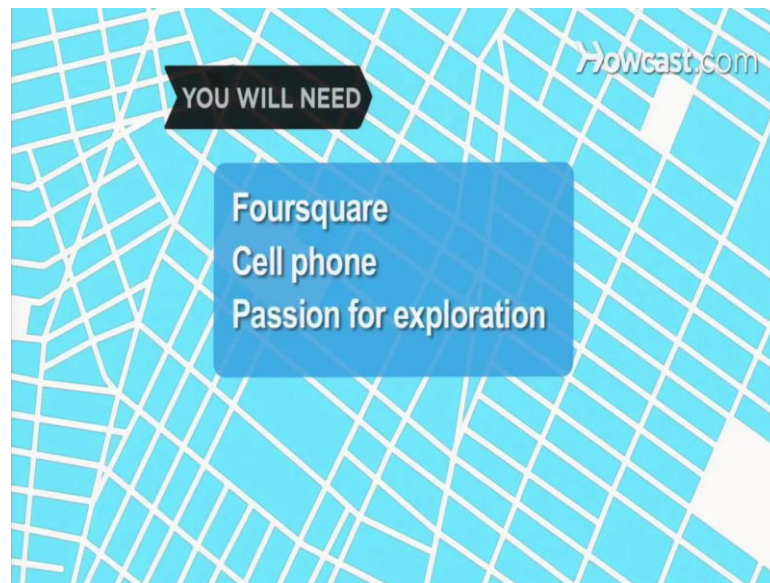


Wish you were more aware about the incredible things around you. With Foursquare you can unlock your world and find happiness just around the corner.

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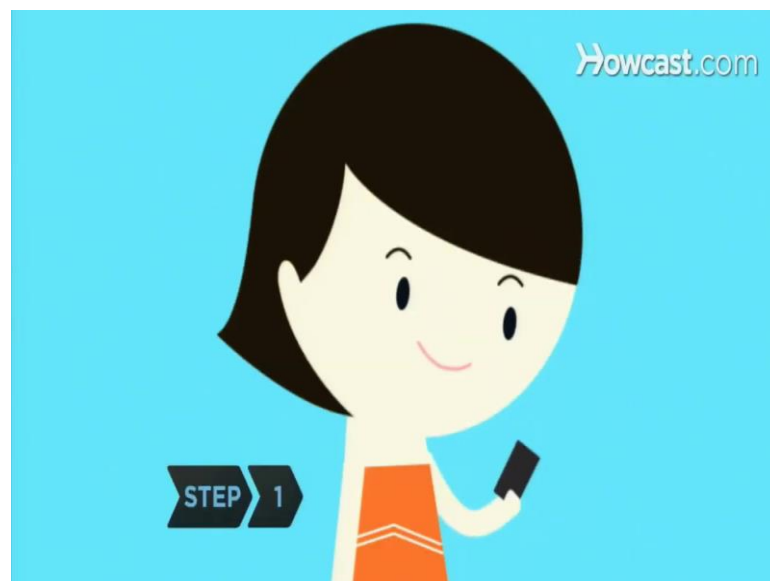


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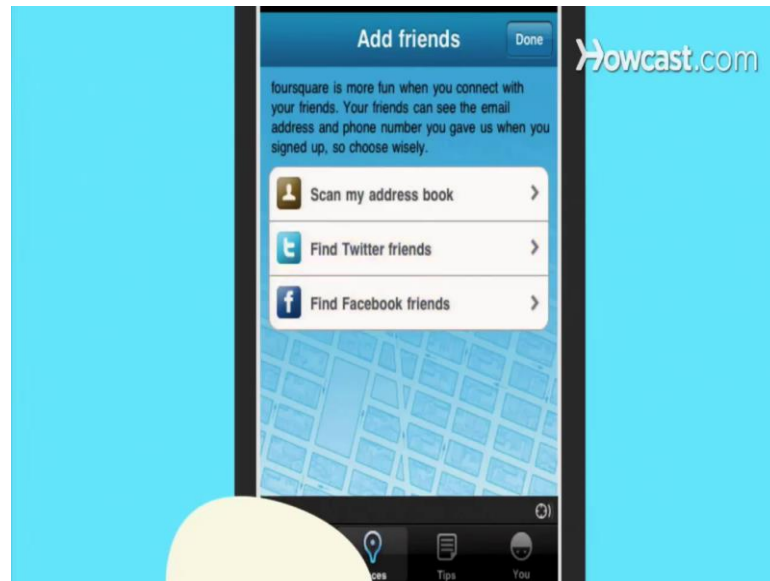
You will need Foursquare, a cell phone and a passion for exploration.

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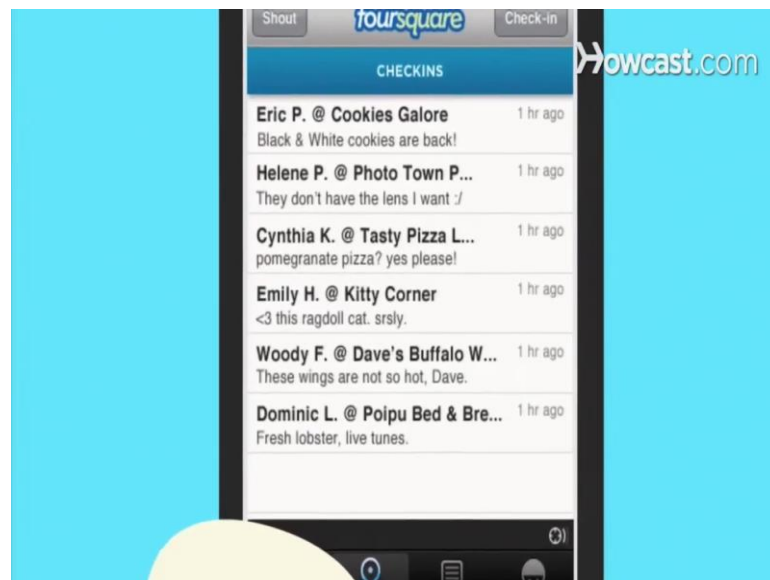


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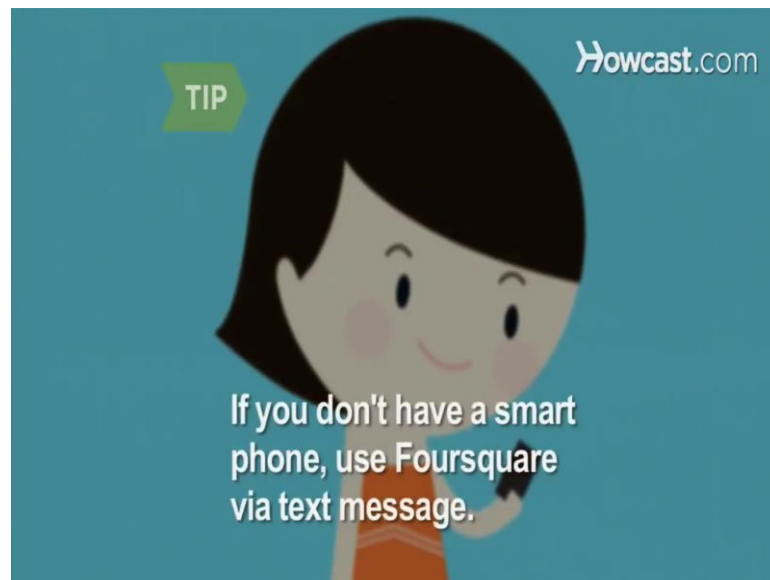
Step-1, download the Foursquare app to your cell phone, and instantly link to your address book, Facebook and Twitter accounts to discover where your friends are hanging out.

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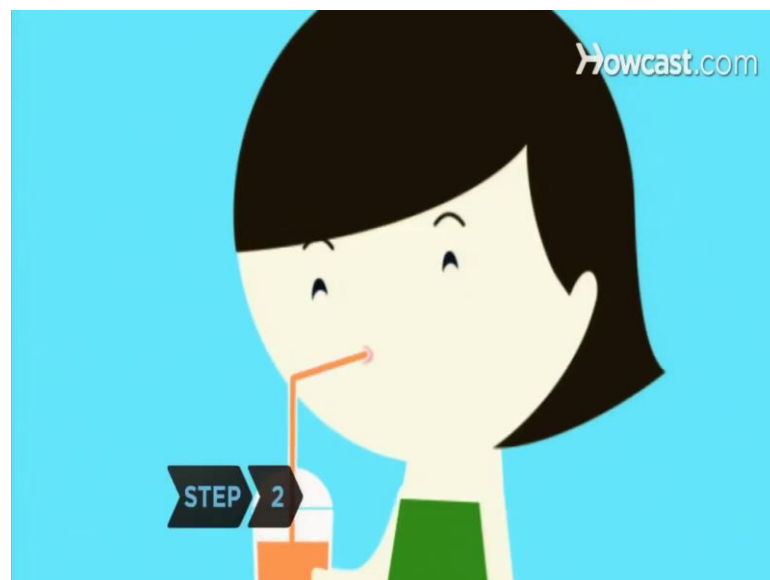
See, if they are near you by looking at where they have recently checked in.

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If your phone does not have internet access and you live in the US, you can use Foursquare via text message.

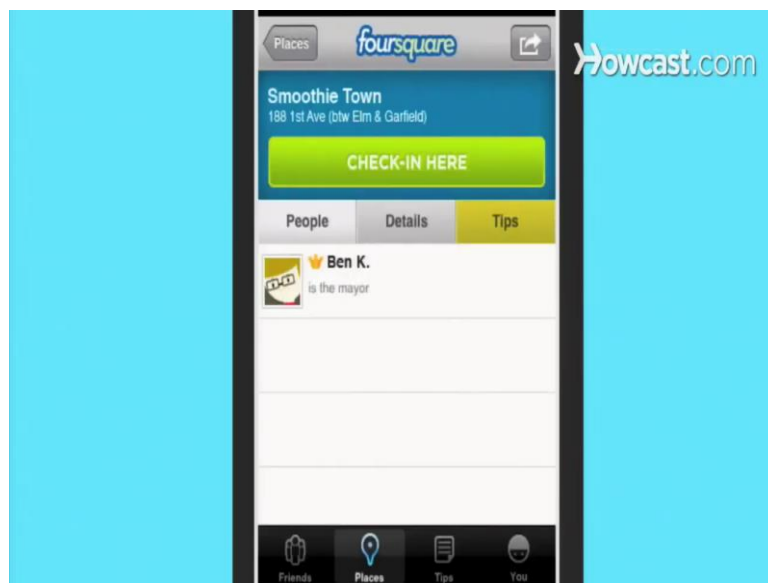
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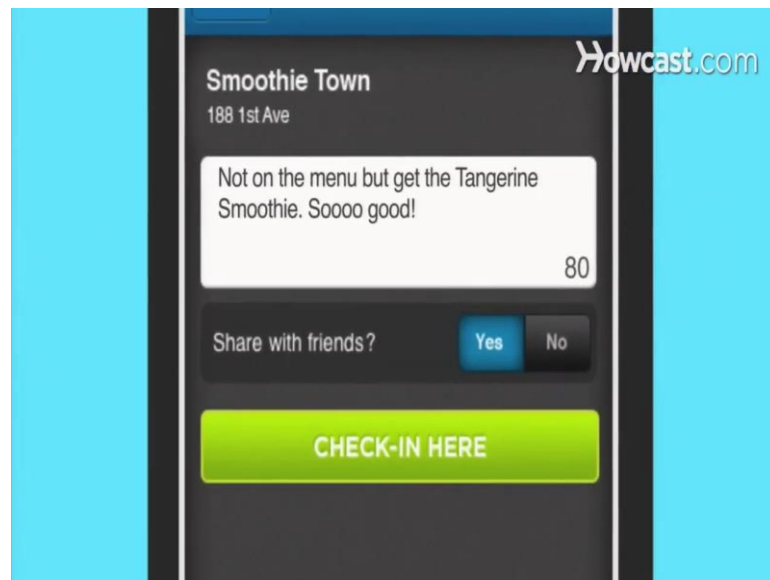


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Step-2, tell your friends where you are by checking in one of the thousands of places Foursquare lists automatically based on your GPS location.

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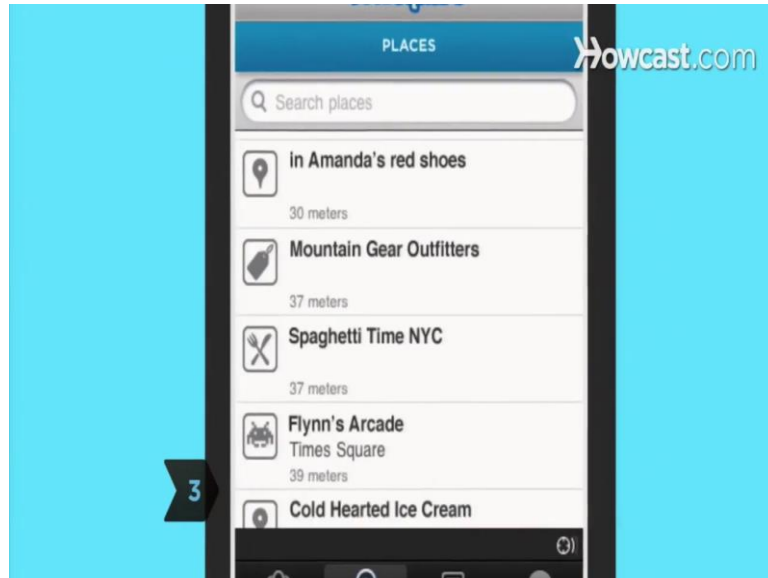
Leave tips on special features you find around town and do not skimp on the details. Inside information is one of Foursquare's best features.

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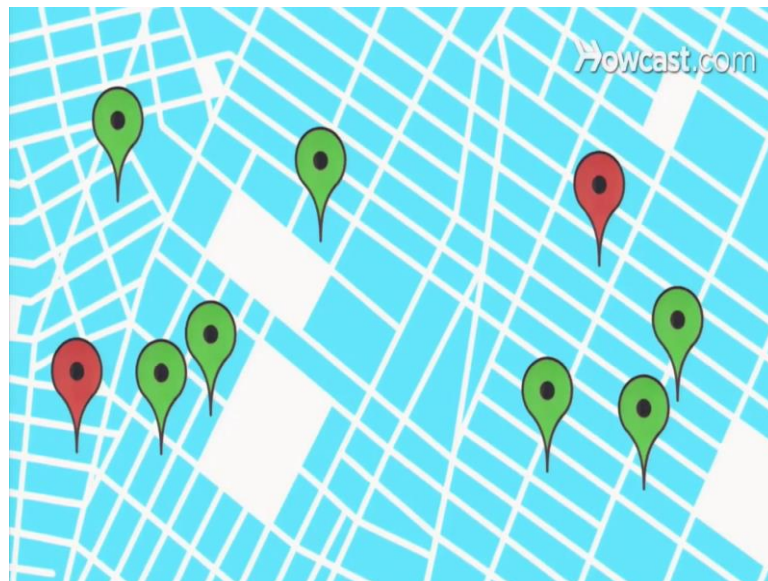
If the place you are at is not listed, you can add it to Foursquare.

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Step 3, check out tips from your friends and from the hundreds of thousands of other users.

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Find recommendations on your specific location or suggestions for things to do or avoid nearby.

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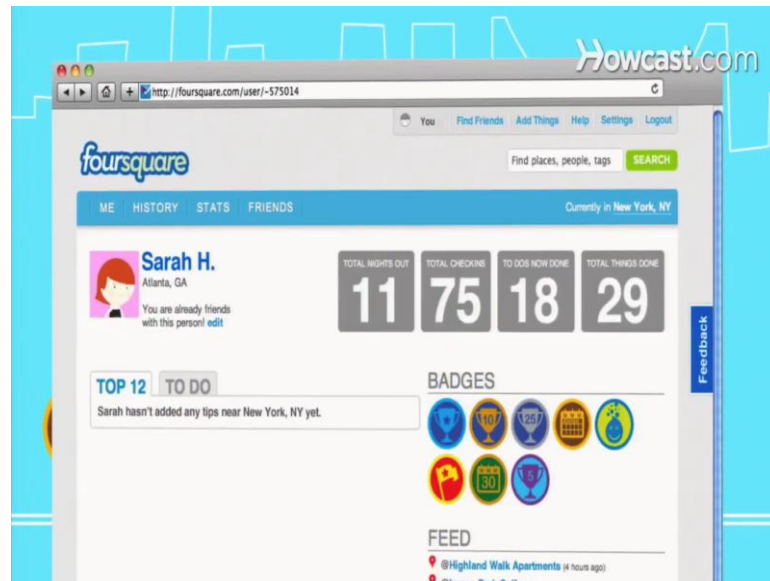
Step-4, the more you use Foursquare, the more you will get out of it.

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Unlock badges and earn points based on where, when and how often you check in, see how many you can rack up in any given month.

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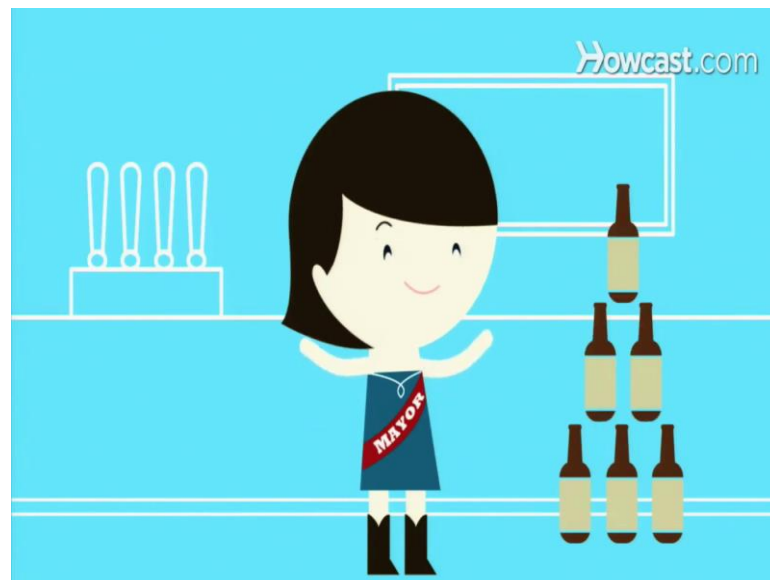
And check out your stats at foursquare dot com.

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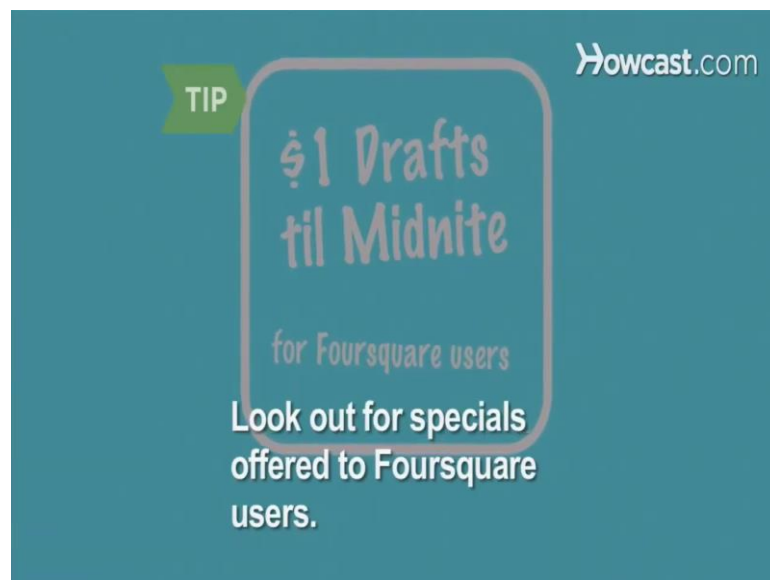
Step-5, check in at a location more than anyone else.

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And become the mayor. You do not get a key to the city, but you might get rewards from certain businesses just for being a loyal customer.

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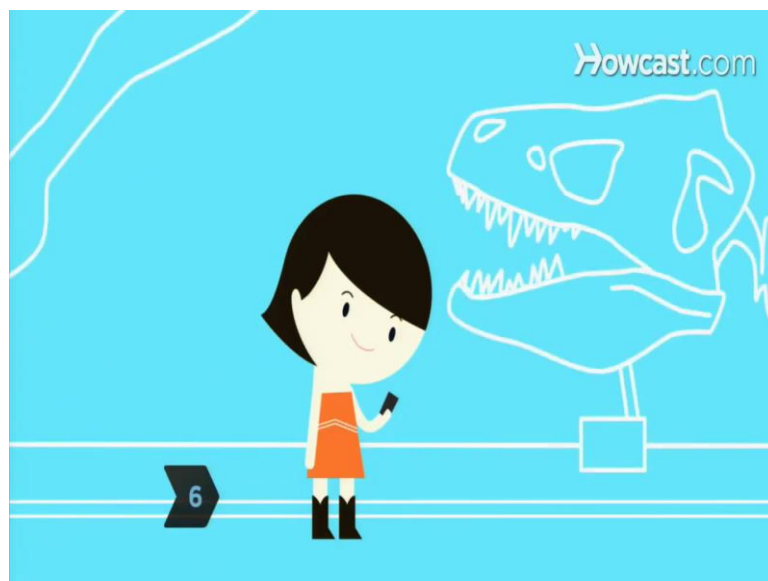
Even if you are not the mayor, look out for specials offered to Foursquare users.



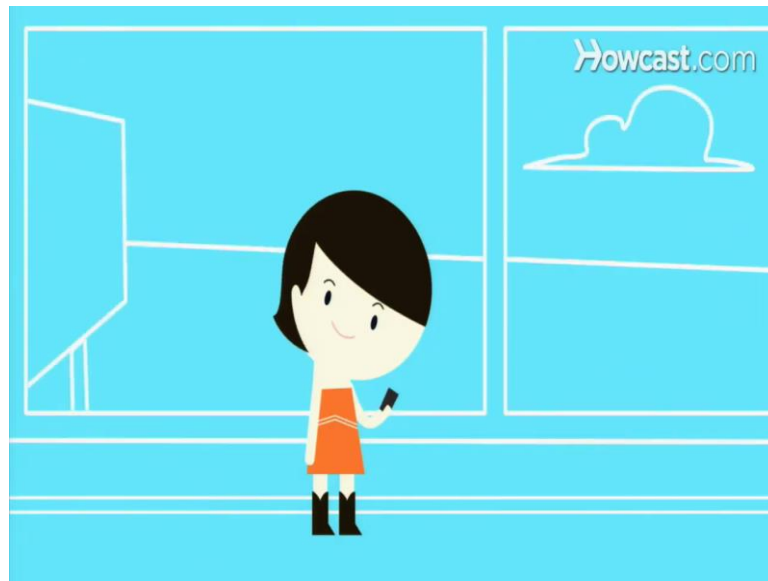
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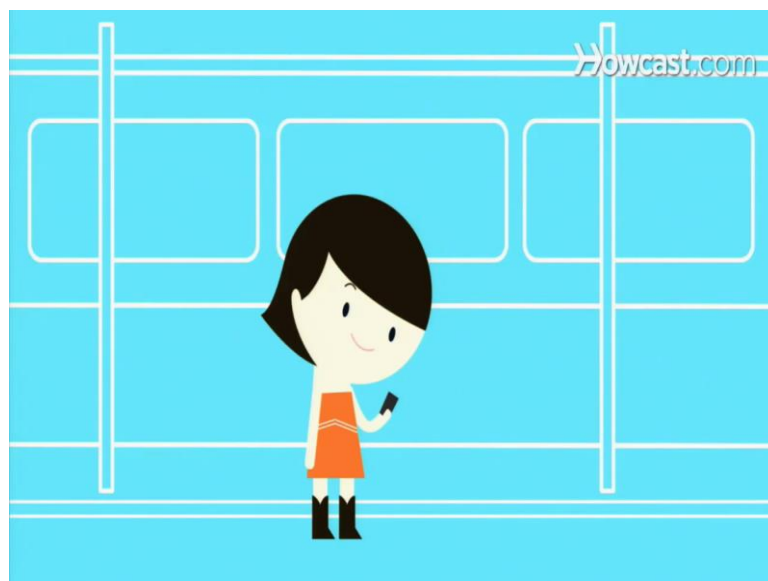
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Step-6, use Foursquare wherever you go; in museums, at airports, on public transportation, during concerts, you never know when you might come across a little planned serendipity.

So, you watched this video about Foursquare which is a geosocial service, and it tells you that knowing your geographical location can help you obtain so many services from you know such from finding, where your friends are to actually going and searching for a restaurant, and availing a lot of features, so that is pertains to a geosocial service.

Now, coming to the next location-based service, a geo advertising service. This is the practice of delivering ads based on geographic location of the targeted population. So, for example, you are walking past a mall a shopping mall or you are inside a shopping mall.

And you would have seen or you would have observed many times that when you are in the vicinity or in the proximity of a shopping mall or say a particular store in a shopping mall, you get certain you know advertisements from a particular store, which you are passing by on your mobile phone, say 50 percent off on a particular you get a coupon mentioning 50 percent off on a particular product, or service which is offered by that particular store.

So, you can immediately go and avail that service. So, geo advertising service takes advantage of the fact that you are in and around the geographic location of a particular store or a particular shopping mall.

And when you are in that location you would get a targeted advertisement, so that you know there is a higher probability that since you are in the vicinity of that particular store, and you are getting a heavy discount on a product or a service, you might actually go head and purchase or avail that product or service.

So, again we will watch an interesting video. Antonio is proud of the regional food he serves in his restaurant located in the historic center, but he is struggling to show people what is on offer and stand out from the crowd. He decides to try. So, you have seen the power of a geo advertising service now moving on to a geo information service.

This is very extremely interesting, because geo information service can tell you the price of a house you are looking at for looking for or about special exhibits at a museum you are passing by.

So, let me give you an example. You are in a bus and you are traveling. You are you have visited a mountain range, you are in a hill station. You visited a mountain range. You can see the mountain range right in front of you.

So, you, but however, you do not there are several mountain peaks there, and you do not know the name or the height of each of them. So, what you do is you point your this particular application. So, here we are talking about an application called wiktitude dot me which is a geo information service.

So, what you can do is with wiktitude dot me, which is a geo information service you install it in your mobile phone, and then you point your mobile phone towards that particular mountain peak. So, immediately the mountain peak will be registered, and you will get information such as its height, the name of the peak and so on, on your mobile phone.

Similarly, if you are walking past a museum and you are pointing your mobile phone towards that, you will get a lot of information about the museum such as you know when

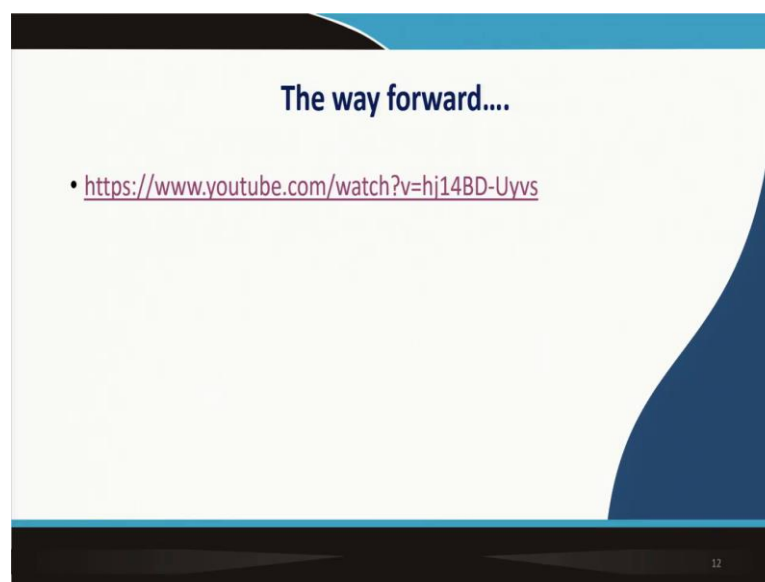
it was constructed, the name of the museum, the exhibits the special exhibits that are there at the particular museum and so on.

So, what a geo information service can help you with is, if you in case you are traveling past any particular feature or building of interest and you are pointing your mobile phone with the geo information service inbuilt at it, it can automatically immediately give you information about that particular feature or that particular building.

So, these three very important location based services, geo social service, geo advertising service and geo information service use the power of mobile phones and global positioning system or GPS.

So, the foundation for mobile commerce is the GPS or global positioning system enabled map services available on sorry Smartphones. So, GPS is a very specialized feature which is available on Smartphones which facilitates many of these location based services and applications, without which you would not be able to exploit the features of mobile phones to the fullest.

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Now, so we have seen quite a lot of you know features of mobile commerce. We have seen how mobile commerce can use your geographic location and give you with target you know targeted advertisements, or give you know tell you give you information about

where your friends are meeting up, give you information about a particular building that you are passing by and so on.

At the same time, you can use mobile phones for e-commerce you know to a large extent every individual has one or more mobile phones and uses them for e-commerce in a big way. And the arrival of two features mobile payments and security related to mobile payments, so ease and security of mobile payments has facilitated mobile commerce in a big way. So, the way forward, let us have a look at this video.

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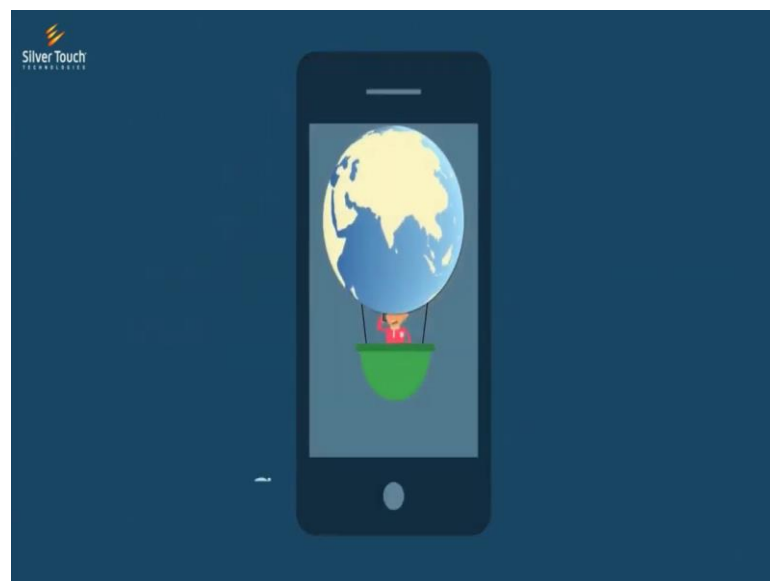
The digital space has been taken over by the Smartphone, creating a market of 1.7 billion consumers.

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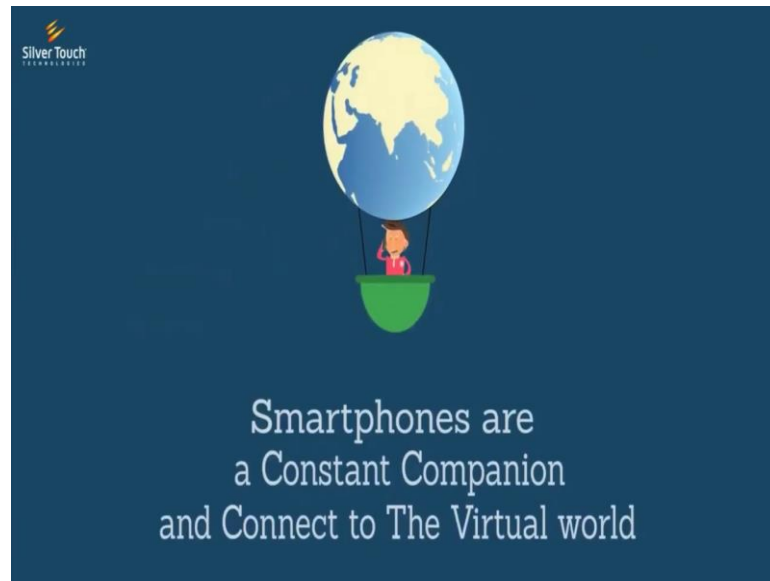


This means newer opportunities and improved reach for the marketers.

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Smartphones are a constant companion that are always on and connected to the virtual world.

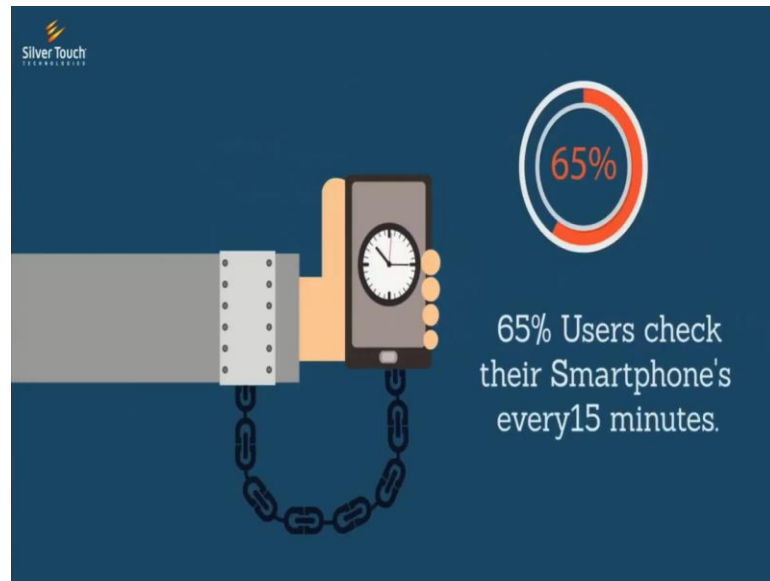
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Smartphones are now used for everyday computer needs like searching, browsing, watching videos, playing games, online shopping, social networking, banking, business operation, communications and managing personal data.

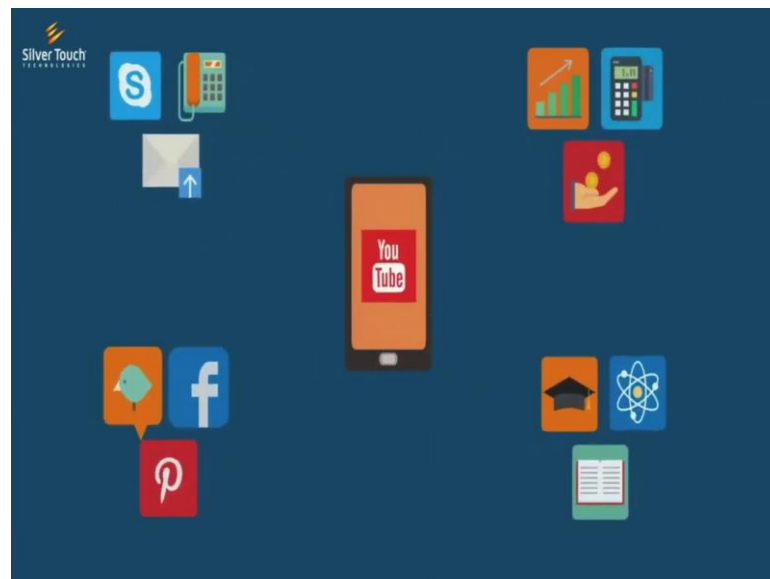


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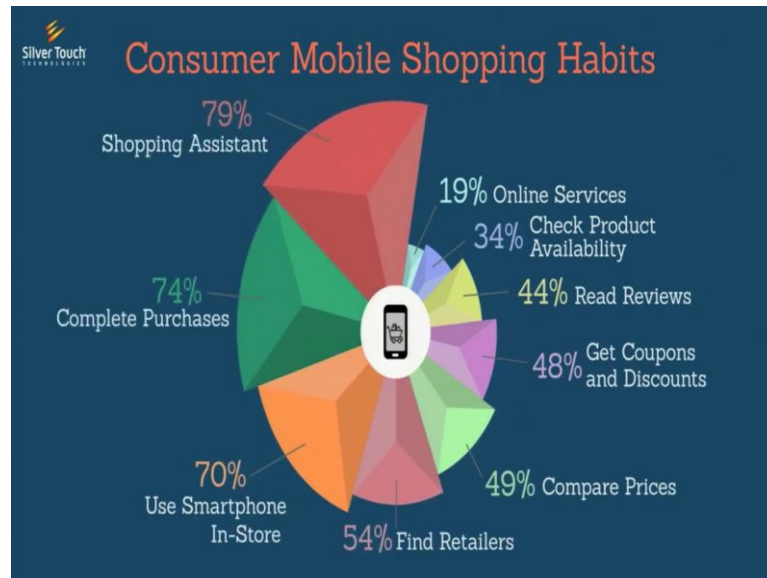
65 percent of users surveyed check their Smartphones every 15 minutes.

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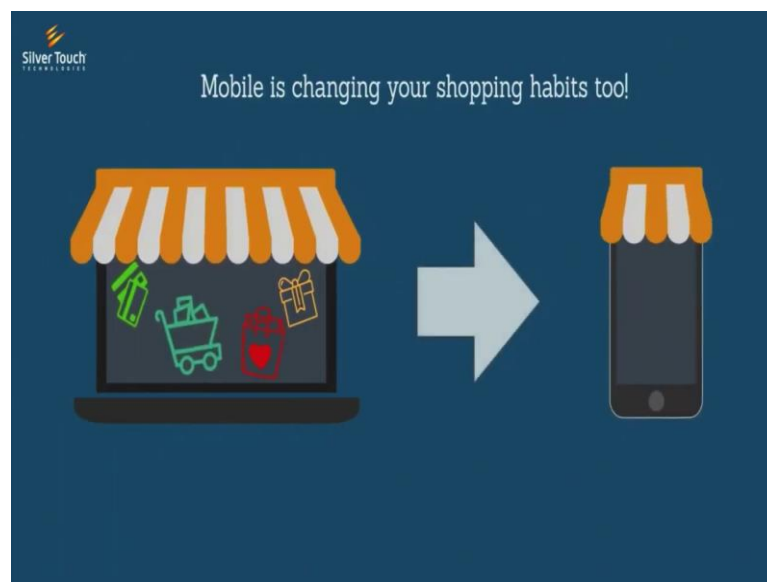
Smartphones have become the single window for communication, business, socializing education and entertainment.

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Online services, check available product stock, read reviews of products, coupons and discounts, compare prices, find retailers, use Smartphone in-store, complete purchase, use it as a shopping assistant.

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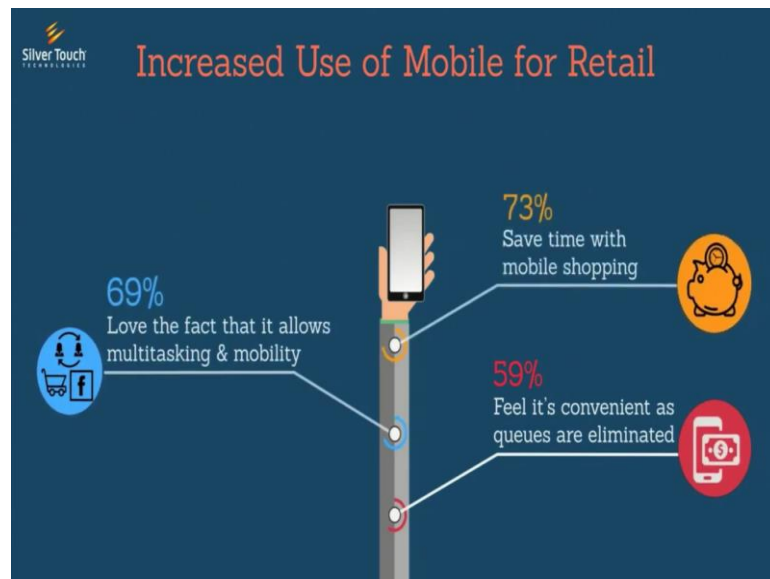
Mobile is changing your shopping habits too.

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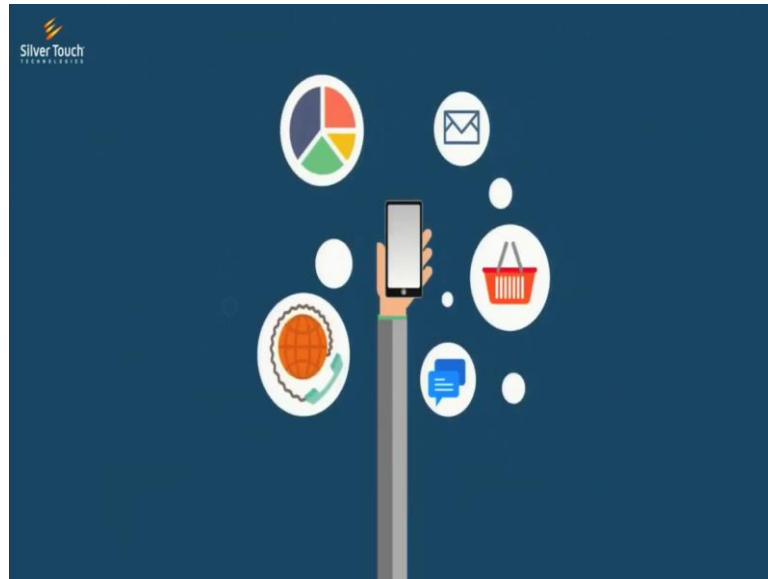
Smartphones are widely being used for consuming retail services as follows.

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It is convenient as queues are eliminated, allows multitasking and mobility, save time with mobile shopping.

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The Smartphones are gearing a paradigm shift as they are changing conversions with convenience.

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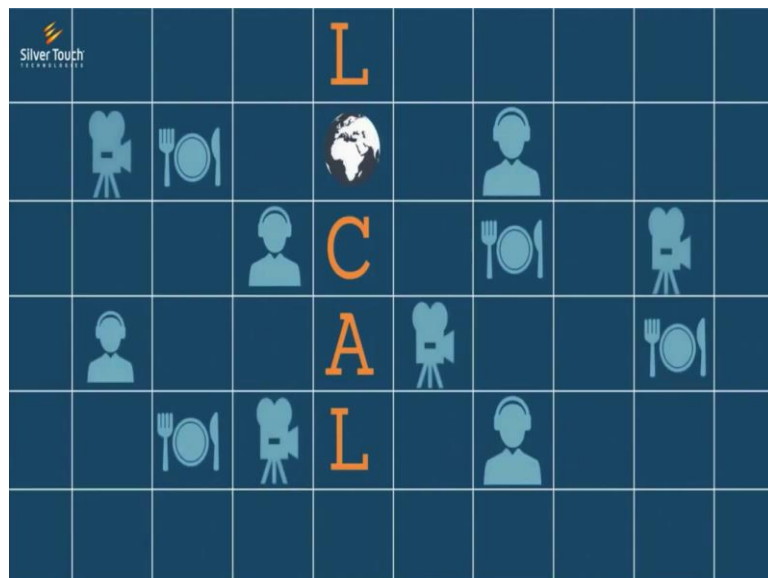
Mobile commerce is all set for a change. Consumer search for location based information converting to an indirect sale. Consumers are looking for immediate action.

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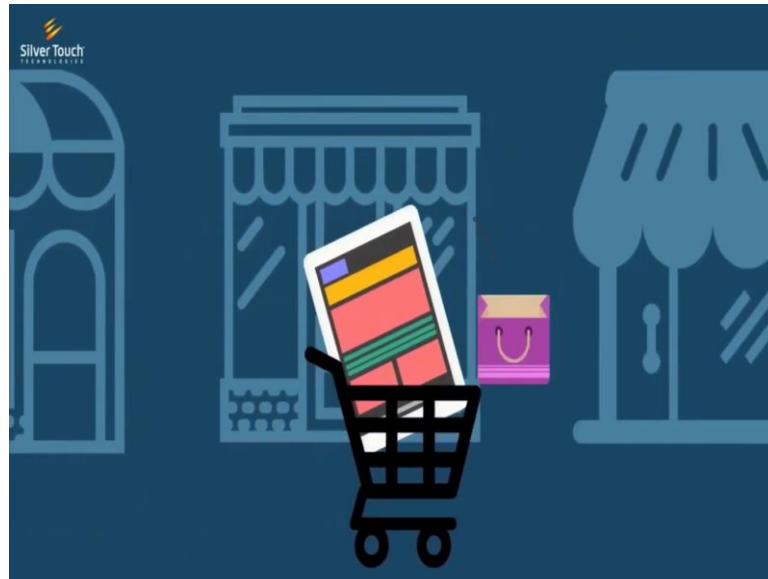


It is going more local from locating stores to finding local food outlets, service providers and movie show times.

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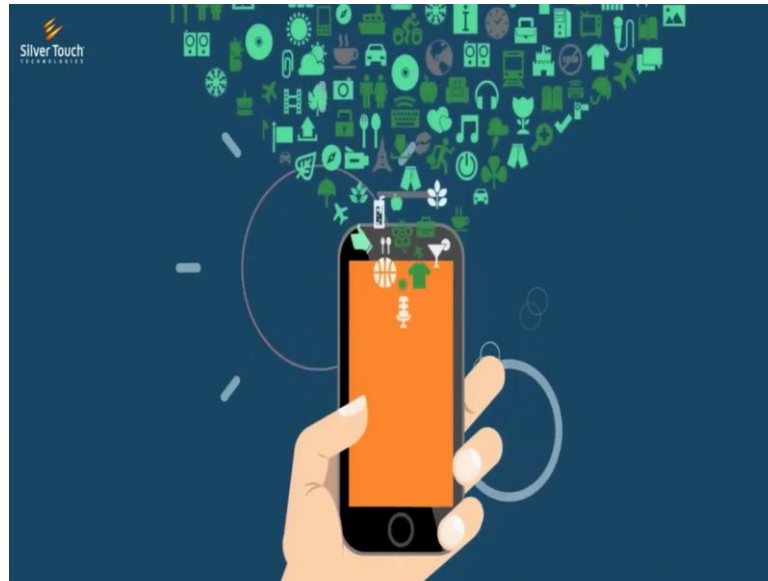
Mobile is used for location searches, communication and smart shopping.

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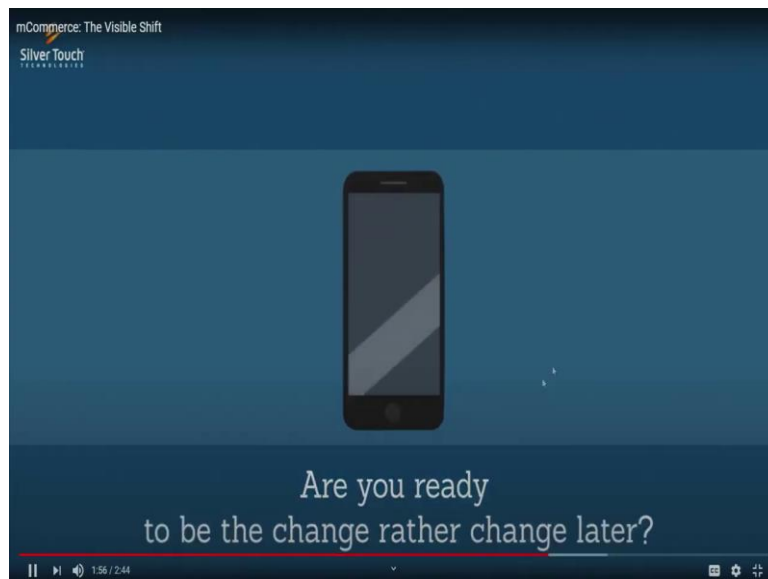
Mobile will be used for smart home, smart office, driverless cars, managed medication and many other daily activities.

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Can you feel the mobile momentum? The shift is indeed fast paced.

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So, are you ready to be the change rather than change later? You observed how mobile phones can change and they have already done in a, you know so far they have changed human lives in a big way.

And the way forward in the field of mobile phones you have seen in this particular video. That you know that there is a lot of potential, there is a lot of promise to how mobile phones will change our worlds around us, and also change the world of e-commerce.

So, with this, we come to the end of this particular module wherein we are talking about e-commerce, mobile commerce and social commerce, and how they play a very important role in management information system. So, with this, we are at the end of this particular module.

Thank you!