

# The Growth Challenge of Mobile Payment Platforms

Rebaccal A.<sup>1\*</sup> Chandrasekaran M.<sup>2</sup>

<sup>1</sup> Assistant Professor, Dhanalakshmi Srinivasan College of Arts and Science for Women,  
Perambalur, Tamil Nadu, India

<sup>2</sup> Assistant Professor, Dhanalakshmi Srinivasan College of Arts and Science for Women,  
Perambalur, Tamil Nadu, India

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## ABSTRACT

*The force of stage plans of action has developed as our economies become progressively computerized, however how organizations address the test of stage development to accomplish a minimum amount of clients stays indistinct. In this investigation, we take a plan of action (BM) viewpoint to see how portable installment stage suppliers approach tending to such a test. We concentrated how versatile installment suppliers occupied with development of their plans of action, and in this way recognized three relating angles: reevaluating the relationship the board with retailers, making organizations with different entertainers in the installment environment to supplement and convey the proposed worth, and incorporating and utilizing front-end portable innovation. Besides, our examination recommends that versatile installment suppliers need to adjust their part inside the environment to scale the stage and that it will rely upon their decision of the extent of geographic accessibility. At last, we propose that shared variation of BMs of stage related entertainers prompts improved dispersion of the stage offers, which additionally alludes to the requirement for scientists to return to development dissemination and innovation appropriation speculations by recognizing the significance of the BM of the offer side of innovation.*

**Keywords** – Mobile Payment

## INTRODUCTION

The current progressed change passed on by omni-present web access and the colossal usage of cells has brought gigantic improvement openings for portion organizations. One model is the ascent of refined modernized portion applications presented on buyers' phones, offered by rising adaptable portion providers that attempt to propose more an impetus to purchasers and retailers, than portion officeholders (e.g., banks) have done beforehand (Kazan et al., 2018). These convenient portion organizations, conceptualized as cutting edge multi-sided stages (de Reuver et al., 2015; Kauffman and Ma, 2015) are addressed by a phase provider that intends to support trades through some kind of modernized advancement mediation between at any rate two undeniable kinds of stage customers, and henceforth make a motivating force for all. A segment

of these have been successful, while others really disregard to address the different challenges exemplified in stage game plans (Cennamo and Santalo, 2015).

One of the essential troubles defying multi-sided stages is advancement – making a base measure of customers and in this manner delivering the ability of association impacts (Hagiu and Rothman, 2016). Since versatile portions (m-portions) are seen as stages inside the more broad financial development (fintech) natural framework they are no extraordinary case (Kauffman and Ma, 2015; Milian et al., 2019). Mallat (2007) raises the meaning of association externalities, while Apanasevic et al. (2016) show that feebleness to achieve least sum involves a clarification behind m-portion organization disillusionment. Additionally, there are a couple of recorded models (e.g., Bart, Valyou, Mokipay) in which the low number of customers has incited organizations being suspended (Apanasevic, 2018). In this manner, the simultaneous allotment of m-portions, by customers (B2C) and retailers (B2B), has been recognized as the best approach to advance for m-portion stages (Heijden, 2002; Rochet and Tirole, 2003). In any case, while a predominant piece of investigation has focused in on the determination of m-portions by customers, a couple have explored retailers' gathering plans (Dahlberg et al., 2015). Likewise, persistent digitalization measures in the portion business have extended the by and large trademark multifaceted design of electronic stage components (de Reuver et al., 2018; Iman, 2018). This is for the most part a direct result of the way that the relationship of different performers inside the natural framework is required (Gaur and Ondrus, 2012), and that m-portions are an enhancing organization, oftentimes joined with non-portion ones (Kazan and Damsgaard, 2014). Along these lines, the organization of different collaborating performers (e.g., retailers, close by portion assistants) around the stage, and suitable multifaceted nature, are two of the huge wellsprings of challenges for m portion stage providers (Arvidsson, 2014; Au and Kauffman, 2008; Dahlberg et al., 2015; de Reuver et al., 2015). Further, this complexity is one of the fundamental purposes behind languid market gathering, close by issues concerning the game plans (BM) of performers (Chea et al., 2015). Iman (2018) states that the advancement of mpayment stage depends upon the presence of an appropriate BM regarding the provider, and Weichert (2017) battles, in her discussion on possible destiny of portions, that fintech associations will by and large participate in arranging new BMs that would better change portion answers for customer needs. Also, Teo et al. (2005) ensure that BM tends to a huge request for all of the performers in an organic framework and that it impacts the accomplishment of a m-portion organization (Chea et al., 2015).

To address these troubles and advance investigation in the m-portions field, Dahlberg et al. (2015) call for multi-sided stage research with a consideration on determination by retailers similarly as on related issues concerning BMs in conditions. We, thusly, expect to appreciate different points that m-portion stage providers participate in to change a BM dependent on a m-portion stage, with the point of gaining a base measure of retailers and stage advancement. All things considered, we attempt to recognize and appreciate m-portion stage providers' philosophies and BM improvement practices as ways to deal with attract a base measure of retailers (as one of the sides of a multi-sided stage) and develop positive association impacts. In particular, we offer the friendly exchange: How do m-portion providers update their BMs to address the improvement challenge of a m-portion stage? To address this request, we considered the value designing of two m-portion stage providers that refreshed their value transport inside the portion climate with the purpose of watching out for the improvement challenge of the stage identifying with the help choice by retailers (business customers). This value plan which turns

around change and improvement is the providers' BM (Massa et al., 2017; Teece, 2010). By the day's end, we use a BM perspective to examine the cooperation of progress of a m-portion stage provider's business (which we insinuate as a m-portion provider in this substance). Particularly, we used Osterwalder et al's. (2005) depiction of a BM to layout the troubles that emerged, and the BM progressions that intended to address these challenges. This BM depiction gave us nine design hinders that were adjusted to address two-sided platformspecific characteristics, for instance, different performer facilitated exertion and organization, similarly as two customer bundles with two relating offers (de Reuver et al., 2015). Thusly, we achieved a complete perspective on the movements related with the stage characteristics, while at the same time having the choice to focus in on the m-portion provider as the stage boss (Gawer, 2014). Against this establishment, we set forth three responsibilities in the endeavor to fathom the usage of BM as an instrument to address the advancement challenge of the m-portion stage. As a matter of first importance, we highlight the meaning of the determination of associates inside the portion climate, grounded in the best approach to manage the degree of the geographic openness of the m-portion stage. Besides, we separate that just having customers auxiliary with the stage isn't adequate, and highlight the need to reconsider and keep up relationship with retailers through different activities, including the consistent correspondence of driving forces for being fundamental for the stage and aiding the mix of in-store developments. Finally, we find that the assessment of colossal data amassed by methods for compact progressions is a major factor behind the accomplishment of stage BMs.

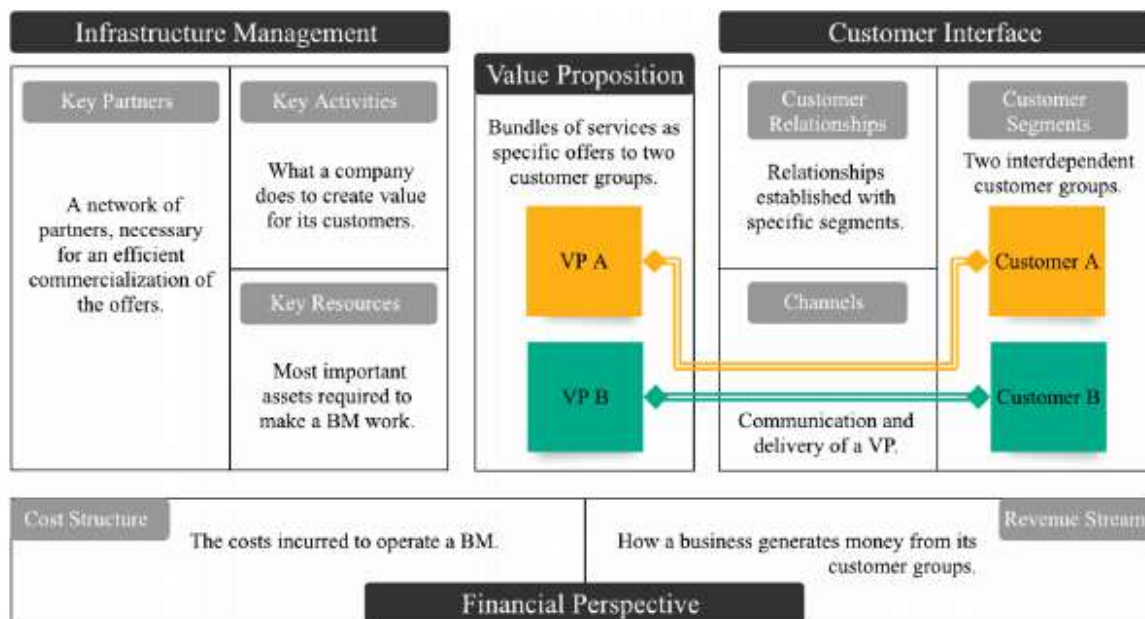
### **Two-sided platform business models**

The seed of a business association as a stage as of now dwells in like manner conceptualizations of a BM at an organization level, which on the other hand zeroed in on: an action framework point of view on BMs (Zott and Amit, 2010), environment BM (Van der Borgh et al., 2012; Westerlund et al., 2014), interconnected BMs (Ghezzi, 2013; Jocovski et al., 2019), open BM (Chesbrough, 2006; Frankenberger et al., 2013) network inserted BM (Bankvall et al., 2017) or network-driven BM (Laya et al., 2018). Notwithstanding, the stage plan of action writing as of late developed as an examination field as such, to represent these BM's eccentricities, rationales and prime examples (Ritter and Lettl, 2018), where market mediator stages or exchange stages that unite two (here and there various) sides of a market address one specific stream (Evans and Schmalensee, 2008; Thomas et al., 2014). That specific model of business association as a stage, which intermediates exchanges between two diverse client gatherings and properly charges every one of them (Rochet and Tirole, 2006), is an approach to conceptualize the matter of a m-installment supplier (Staykova and Damsgaard, 2015). Besides, plans of action of these organizations inherently need two various types of clients on unmistakable sides of a stage to make a thought of the actual help (Muzellec et al., 2015; Täuscher and Laudien, 2018).

Specifically, the client division of two-sided stages is an alternate kind from a "various fragments" one, since the last doesn't infer common association between at least two client sections (Osterwalder and Pigneur, 2010; Trabucchi et al., 2019). In this way, significant determinants of a m-installment supplier's business achievement are, on one hand, the capacity to draw in enough clients on various sides of the stage on schedule (Gaur and Ondrus, 2012) and, then again, to support the associations with the clients on every one of the stage sides (Ondrus et al., 2015). In any case, becoming too enormous too soon can have an opposite impact (Hagiu and Rothman, 2016). It is, subsequently, critical to adjust the development of the various sides in the

stage's underlying period, which is now and again alluded to as a start stage (Evans, 2009). Accomplishing a minimum amount of clients on each side is central for stage start (Ondrus et al., 2015) and for production of positive organization impact as a foundation of a stage plan of action (Rochet and Tirole, 2003).

At the point when various clients partnered with a stage appreciate the stage dependent on the quantity of clients either in a similar gathering (direct impacts) or in another client gathering (aberrant impacts), the organization impacts emerge and the stage gets significant and reasonable (Hagiu and Wright, 2015). Moreover, these organization impacts make client lock-in and increment exchanging costs (Santoso and Wahyuni, 2018), which are known wellsprings of significant worth creation in BMs of organizations utilizing advanced innovations (Amit and Zott, 2001). At long last, accomplishing minimum amount is contended to be reliant on m-installment supplier's BM (Iman, 2018) just as on the activities of m-installment stage supplier's accomplices as facilitators of installment foundation (Contactless Forum, 2017; Van Puyvelde, 2015). Consequently, contemplating a m-installment supplier's BM prompts further comprehension of the manners in which BM advancements can be utilized to deliver difficulties relating to start stage and accomplishing minimum amount (Staykova and Damsgaard, 2016). To break down a m-installment supplier's BM, it is fundamental to have a satisfactory formal theoretical portrayal of how a BM capacities. Quite possibly the most extensive systems as per Teece (2018) that has just been utilized inside the m-installments space (Pousttchi et al., 2009), is the Canvas BM, where Osterwalder and Pigneur (2010) clarify how the structure can be utilized for twosided organizations. It follows Osterwalder et al's. (2005, p.17) contention that a BM should communicate the business rationale of a particular firm by portraying "the worth an organization offers to one or a few sections of clients [...] and its organization of accomplices for making, promoting, and conveying this worth and relationship capital, to produce beneficial and practical income streams." Having as a main priority that the business association of a m-installment supplier is a two-sided stage and that it depends on the presence of two reliant client gatherings, the Canvas BM takes a specific structure (Osterwalder and Pigneur, 2010), as portrayed in Fig. 1. There are (still) nine plan components versus four columns, yet what is specific here is that the client fragment plan component and incentive (as a plan component and a column in itself) both have two particular sets. As addressed in Fig. 1, for every client gathering (or side), An and B,



**Fig. 1. Canvas BM of a two-sided platform business, based on Osterwalder et al. (2005), Osterwalder and Pigneur (2010), and Pousttchi et al. (2009).**

There is an offer (VP A and VP B). Highlight that offers that take into account the necessities of every one of the client bunches are reliant, much the same as the client gatherings (Osterwalder et al., 2014). As such, it is unimaginable to expect to convey one offer without the other (Hayashi, 2012). What's more, client connections (addressed through a BM plan component in Fig. 1) that a m-installment supplier has with every one of the client bunches assumes a fundamental part in the practicality of the actual stage (Ondrus and Lyytinen, 2011). A few creators inside the m-installments area further the conversation into the significance of associations inside the plan of a stage BM by extending it to remember key accomplices and important entertainers for the installment biological system also (e.g., Dennehy et al., 2015; Miao and Jayakar, 2016; Zolnowski et al., 2014). Another perspective that isn't express in the introduced BM system, yet is some of the time considered as a component of a BM itself and an overall vital way to deal with stage development, is the geographic extent of the stage. Täuscher and Laudien (2018) property the extent of geographic accessibility, regarding the nearby, local, or worldwide accessibility, to the worth conveyance measurement of a BM. Also, Pousttchi et al. (2009) talk about the rollout of a m-installment stage as a component of the channel plan component. For them, the rollout as a geographic inclusion (actual areas where the m-installment administration might be utilized) is a part of the conveyance of the proposed esteem, as well. Different creators verifiably relate the significance of the topographical inclusion of the mpayment administration with the business rationale behind it. For instance, Iman (2018) features the significance of comprehension of the setting of a nearby market for the organization of a m-installment stage in a manner that guarantees that a m-installment supplier's offer would meet the assumptions for the neighborhood client gatherings and boost them to join the stage. At last, in their endeavors to comprehend the reception of computerized twosided stages through the expressions "reach" and "reach", Staykova and Damsgaard (2016) drop the meaning of geographic extension from the first utilization of the terms. Notwithstanding, despite the fact that

the range, as various clients of one unmistakable client section, as they utilize the term, is a significant component in the conversation on advanced two-sided stage, we accept that geographic angle is particularly applicable when contemplating computerized administrations that can cover enormous topographical distances. When a BM is addressed with the assistance of a system, for example, Canvas BM, it ought not be viewed as a static picture: despite what might be expected, it is liable to change and advancement due a few interior and outer components, for example, the digitalization measures that occur inside the installment environment (Schneider and Spieth, 2013). The advancement of a BM alludes to "the quest for new rationales of the firm and better approaches to make and catch an incentive for its partners" (Casadesus-Masanell and Zhu 2013, p.464). Additionally, Sosna et al. (2010) conceptualize the BM advancement (BMI) as an experimentation cycle, and Foss and Saebi (2017) characterize BMI as novel changes to the BM plan components of a firm and additionally the engineering that joins them. They call attention to that BMI has been seen in the writing as an interaction that can assist firms with improving execution results, for example, benefit and upper hand. The writing likewise proposes that BMI can uphold the commercialization of new advancements (Chesbrough, 2010; Chesbrough and Rosenbloom, 2002, for example, portable advances, that carry significant changes to the installments business and set new ways for computerized change. Likewise, new worth can be opened through innovation progressions, affecting the BM and adaptation for various entertainers related with it; while the interoperability with past advances additionally must be mulled over (Baden-Fuller and Haefliger, 2013). In this manner, BMI as a reaction to a changing climate is fundamental for seeing how m-installment supplier's BMI exercises may encourage formation of minimum amount of clients and consequently stage development.

## **CONCLUSIONS**

In this study, we focused on m-payment providers' BMs and their change in order to understand different activities m-payment providers engage so as to address the growth challenge of the m-payment platform. As shown in Fig. 1, within each Canvas BM design elements we identified different activities as ways to approach the redesign of the BM and attract retailers to join the platform. Additionally, we have classified these BMI activities under three overarching aspects: (1) rethinking the relationship management with retailers, (2) creating partnerships to complement and deliver the proposed value, and (3) integration and use of front-end mobile technology. In sum, we illustrated how m-payment providers engage in redesign of their BM and how a BM may act as a tool for addressing the growth challenge of an m-payment platform.

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