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## To Study the Impact of Mobile Marketing on The Consumer Buying Behaviour

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*Alpana Gulabrao Karanjule*

*Student, D Y Patil University, School of Business Management, Navi Mumbai*

*Proposed Research Guide, Dr. R. Gopal, Director, D Y Patil, University,*


*School of Business Management, Navi Mumbai*

**Email ID-editorcassstudies@gmail.com**

### ABSTRACT

A research was conducted to study the impact of mobile marketing on consumer buying behaviour, in which the device preference for online shopping and digital window shopping, time spent by potential consumers on mobile device, preference between websites and application, customer's mindset about online payment, barriers in mobile commerce, and response to mobile advertising was studied. It is found that when it comes to digital window shopping mobile devices are preferred over laptops, and applications are the popular method of mobile commerce. The barrier in mobile commerce is the technological barrier. Customers are open minded about making online payments through mobile device.

**Keywords:** Mobile device, mobile marketing, consumers, online payment, applications, laptops.

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## INTRODUCTION

These days mobile phone has become as important as friend in our life, now if this may sound true only in the case of youths(15-29), it won't be unfair to say that for almost every age groups people, mobile phone is the daily necessity and for marketers, it is the great opportunity. The mobile content is new way to gain information on politics, education bollywood news, cricket score, traffic update, navigation, entertainment and many more.

Following are some facts about mobile device usage in India:

- The smartphones users have raised from 292 million to over 340 million in 2017.
- The feature phone users have raised from 684 million to 730 million in 2017.
- Due to the affordable price provided by network providers the 3G/4G users have raised to 120 million and it is expected to raise almost double by the end of 2018.
- As per Google, 60% of web searches and about 55% of content consumption is done via mobile devices.
- 91% of the facebook and instagram users, use mobile phones to access their account.
- According to Times of India (TOI), Indians spend 2.5 hours on their mobile devices.

The increased use of mobile device made marketers to put in their attention to market their products on mobile devices. Now is the era where marketers come up with marketing strategies targeting only the mobile device users. Mobile Marketing is a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network. (<http://www.mmaglobal.com/wiki/mobile-marketing>)

The mobile marketing strategies such as SMS marketing, MMS marketing, web based marketing, push notifications, app based marketing, in-game mobile marketing, QR (Quick Response) codes, location based services, social media marketing are the new ways to capture the market. M-commerce is also known as the next generation of E-commerce as it has more advance features and functions compared to e-commerce. M-commerce is the buying and selling of goods and services through wireless handheld devices such as cellular telephone and personal digital assistants (PDA). (<http://searchmobilecomputing.techtarget.com/definition/m-commerce>)

Mobile commerce was first started at 1997, but at that time it was only limited to buying the ringtones and wallpapers, the transactions was carried out through text message. In 1999, Japan introduced the first browsing like app and the most popular one was i-Mode.

The m-commerce activities such as mobile money transfer, mobile ticketing, mobile vouchers, coupons, loyalty cards, content purchase and delivery, auctions, mobile browsing etc are becoming very popular these days. As said earlier that on an average, an Indian spends 2.5 hours on his/her mobile phone and the marketers can't miss the opportunity of reaching them on the mobile medium. It would be interesting to study how the marketers can make the use of mobile device as medium to attract the potential buyers and how the same can be used to retain the existing customers. From the present scenario, mobile marketing seems to be the core part of the present and future marketing activities. There are many companies investing in mobile marketing and those who are not investing in mobile marketing are already lagging behind.

## LITERATURE REVIEW

**Arif Sari, Pelin Bayram, (Dec. 2015, Scientific Research Publishing Inc. ,Vol 8, No.13, Pg. No. 578-596 )**

carried out an research to find out the "Challenges of Internal and External Variables of Consumer Behaviour towards Mobile Commerce". In this research, the researcher bifurcated the problem in two sections namely, internal and external, in which they identified the internal challenges such as demographic and psychographic. They studied, how the age, gender, personality, lifestyle, interests, attitude and religion plays a crucial role in forming an opinion about mobile commerce. In which they found out that, the students were open about the idea of mobile commerce, in which most of them were male and had little or no income source. Researchers pointed out the external challenges such as social, cultural, and technological, in which the social and cultural factors depends a lot on the geographical area, people who lives in urban areas are more open about experiencing mobile commerce and finds it a convenient option. People with less spending power were reluctant to carry out mobile commerce frequently. Technological barriers such safety of the consumers data and details were found. Consumers fear that their privacy may be intervene if they use their mobile device to carry out the transaction. Accessing the shopping websites through mobile device could also lead to virus attack on the mobile device, causing loss of personal data. These internal and external challenges have an effect on the consumers behaviour towards mobile commerce. To the above mention problems, the researchers stated the potential solution such as, making the use of biometric authentication methods namely, fingerprint identification, retina scan, voice analysis etc. As the product launches or any new offers and discounts are available it would be smart of the marketers, to keep their customers updated on time, so that the customers won't switch because of lack of information. Thus, in order to attract and retain the customer on mobile commerce the marketers must take care of the above challenges and act on the potential solution to it.

**Satinder, Niharika (Sep. 2015, International conference on science, technology and management, Delhi University, Pg. No. 2503-2513)**wrote a research paper on "The impact of mobile commerce in India: a swot analysis". Researchers mentioned that India is second largest mobile market in world after China. While studying about the impact of m-commerce in India, the researchers divided the study into three parts namely, growth factor, application and issues of m-commerce, after that the researchers even carried out the swot analysis of m-commerce. Speed, security, innovation, accessibility, and affordability were mentioned as the growth factors of m-commerce, where as lack of awareness, low internet connectivity, imbalance between the service and network provider, lack of high speed internet, heterogeneous environment, security, privacy and lack of simple, standardized payment system were addressed as the issues in m-commerce. Travelling, ticketing, auction, shopping, education, information service, in-built mobile application, coupons and vouchers are the applications of m-commerce. Researchers concluded by saying that m-commerce has already penetrated in India and the marketers needs to form the strategies accordingly in order to capture the users of mobile device as their target audience.

**Archana M Navre, (April 2016, International journal of advanced research in computer and communication engineering, Vol. 5, Issue 4, Pg. No. 913-915)**has written a research paper on "M-commerce in India" in which she mentioned about the advantages and limitations of mobile commerce. She identified long distance reach, secure transaction, easy to use, savings and better deal for consumers as the advantages of m-commerce. Tiny screen, lack of security, slow speed of delivery and mobile phone configurations as the

limitations of m-commerce. The researcher concluded by predicting that the m-commerce will rise rapidly in India in the near future.

## OBJECTIVES

- To study mobile commerce in comparison with the e-commerce and traditional commerce.
- To study the consumer buying behaviour with respect to the mobile commerce.
- To study the challenges and potential solutions in mobile marketing.

## HYPOTHESIS

H<sub>01</sub>: There is no significant relation between gender and convenience with mobile commerce.

H<sub>12</sub>: There is significant relation between gender and convenience with mobile commerce.

H<sub>02</sub>: There is no significant relation between gender and impulsive buying behaviour.

H<sub>12</sub>: There is significant relation between gender and impulsive buying behaviour.

## RESEARCH METHODOLOGY

Research Method used was Primary Research.

### Data Sampling:

Sampling method: Simple Random sampling

Sample Size : 50

The respondents were chosen from the cities of Thane and Raigad districts of Maharashtra.

### Data Collections:

Both primary and secondary data was collected

Primary data was collected using a self structured questionnaire.

Secondary data was collected using magazines, books, websites, reports, files and thesis.

## DATA FINDING AND ANALYSIS

### DEMOGRAPHICS:

#### Gender

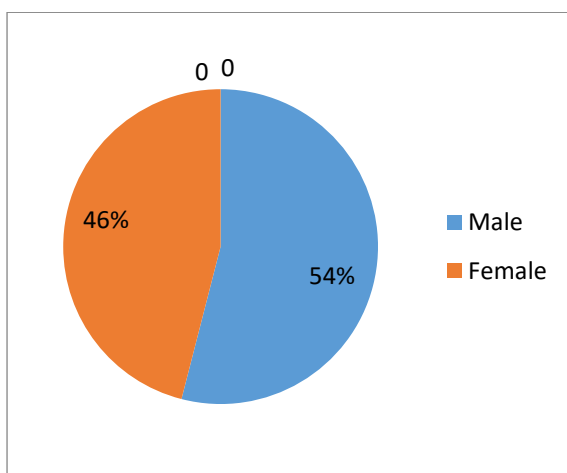


Fig.1

#### Age

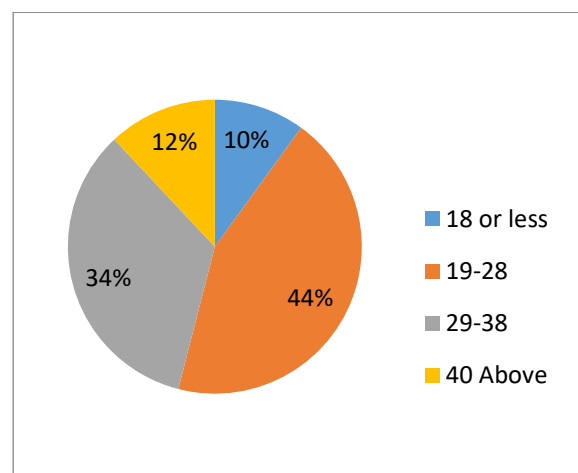


Fig.2

Occupation

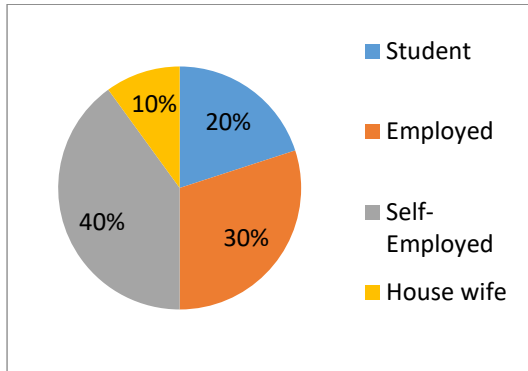


Fig.3

Education

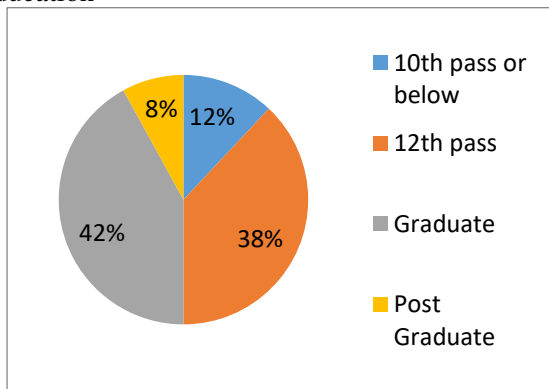


Fig.4

Income Level

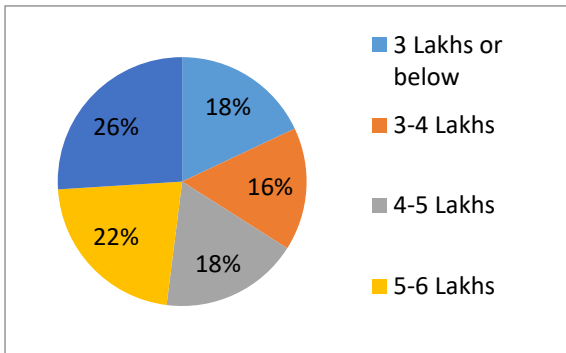


Fig.5

1) Which of the following device is convenient for online shopping?

a) Mobile device

b) Laptop

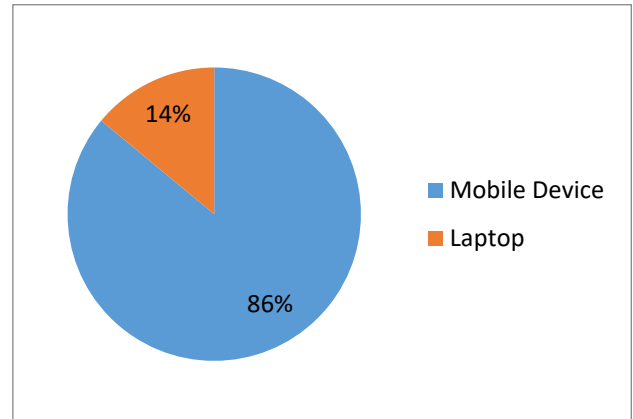


fig.6

Interpretations: Out of 50 respondents, 43 of them uses mobile device to shop online, irrespective of their age, gender, education, occupation and income status.

Chi Square:

	Mobile Device	Laptops	Total
Female (Convenience)	20	3	23
Male (Convenience)	23	4	27
Total	43	7	50

Chi Square Statistics = 0.0324

Value of P = 0.857225

Thus the  $H_{01}$  is accepted and can say that there is no significant relation between gender and convenience with mobile commerce.

2) When digital window shopping (only looking not buying) which device do you prefer?

- a) Mobile device
- b) Laptop

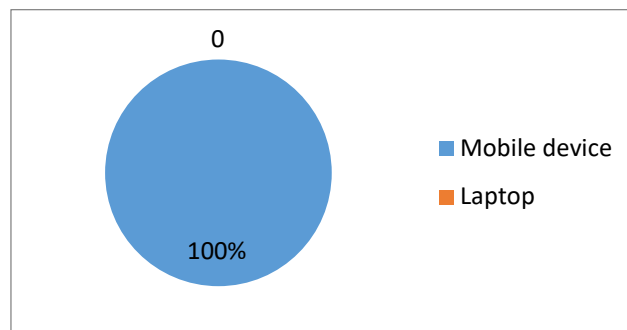


fig.7

Interpretation: Out of 50, all the respondents use mobile device for digital window shopping, irrespective of their age, gender, education, occupation and income status.

3) How much time do you spend in day for browsing the products through mobile device?

- a) Less than one hour
- b) 1-2 hours
- c) 2-3 hours
- d) more than 3 hours

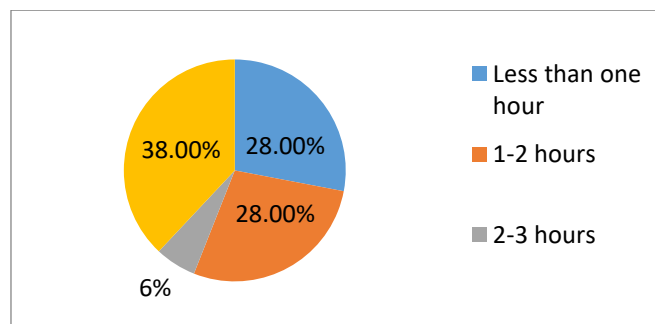


fig.8

Interpretations: Out of 50, 19 respondents spend more than three hours per day out of which majority of them were from age group 19-28, and were students and housewives by occupation.

4) How frequently you buy products through mobile device ?

- a) Once a week
- b) Twice in a month
- c) Once a month
- d) Once a three month
- e) Once a year

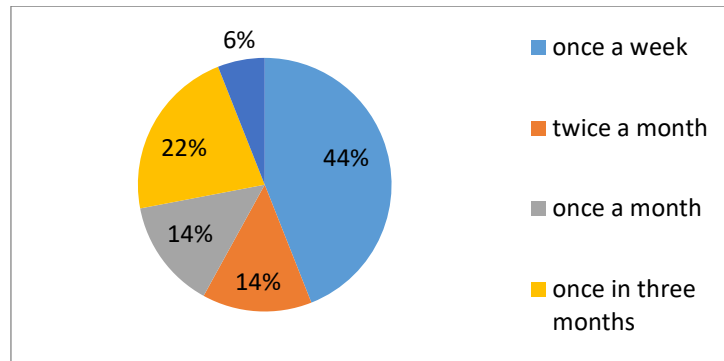


fig. 9

Interpretations: Out of 50, 22 of them shopped through mobile, out of which majority of them were employed, self employed, and housewives.

5) When shopping through mobile device what do you prefer?

- a) Website
- b) Application

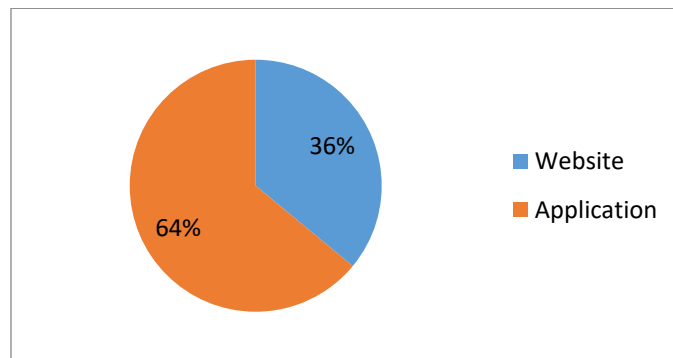


fig. 10

Interpretations: Out of 50 respondents, 32 of them use applications irrespective of their age, gender, education, occupation and income status.

6) Do you feel that making payments through mobile device will pose a risk of getting your other data hacked which is present on your mobile device?

- a) Yes
- b) No

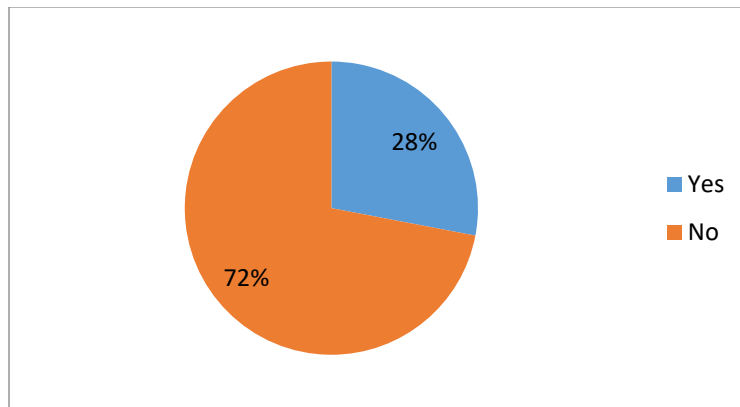


fig.11

Interpretations: Out of 50 respondents, 36 of them don't worry about their data being hacked, thus we can say mobile platform is considered as a safe platform.

7) What are the drawbacks of shopping through mobile device compared to laptops?

- a) Small screen size
- b) Risk of data being hacked/Virus
- c) Slow speed

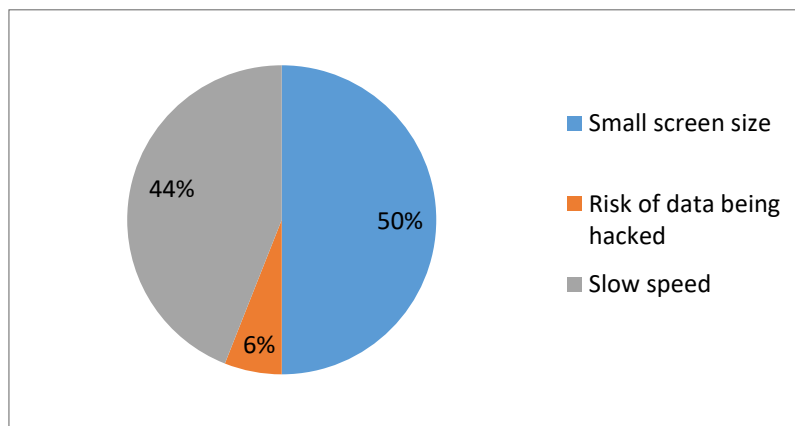


fig.12

Interpretations: Out of 50 respondents, 25 of them mentioned small screen as a drawback, where as 22 of them said slow speed is drawback.



8) Did the frequency of your mobile shopping increased compared to last year ?

- a) Yes
- b) No

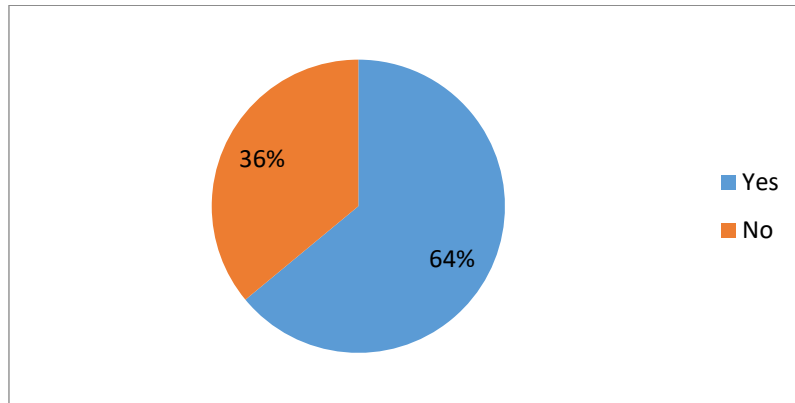


fig.13

Interpretations: Out of 50,32 of them agreed that their frequency of mobile commerce has increased, majority of them were employed, self employed and housewives.

9) Do you fear opening random websites on mobile?

- a) Yes
- b) No

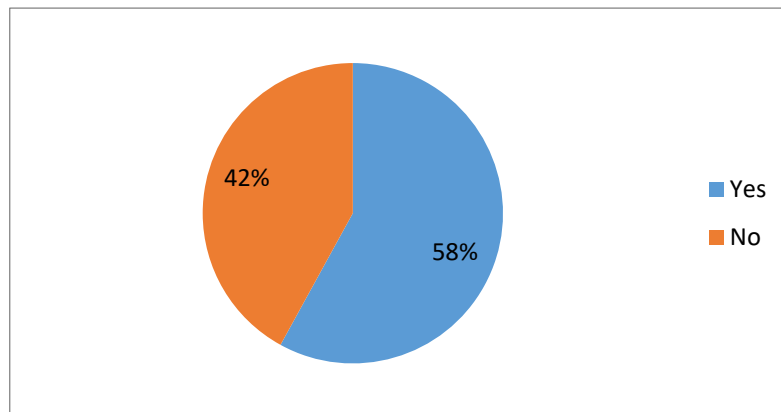


fig.14

Interpretations: Out of 50 respondents, 29 of them fear opening random sites out of which majority of them were employed and self employed.

10) Did you purchase something impulsively just after viewing advertisement or receiving a offer SMS on mobile?

a) Yes

b) No

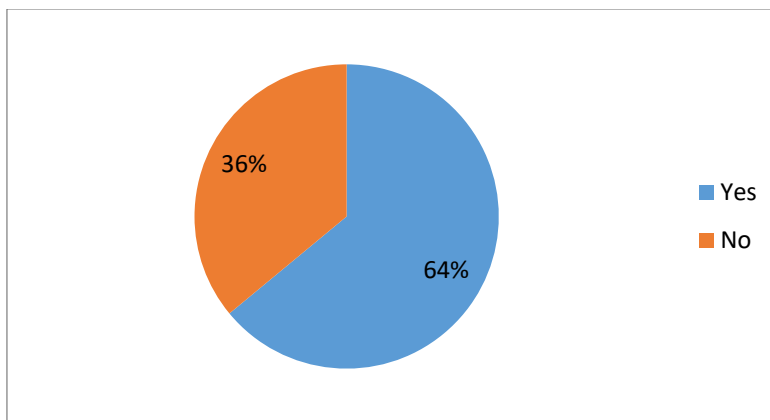


fig.15

Interpretations: Out of 50 respondent, 32 of them buy impulsively under the influence of S.M.S marketing or advertisements, majority of them were females.

Chi Square:

	Impulsive Buyer	Cautious Buyer	Total
Females	12	15	27
Males	20	3	23
Total	32	18	50

Chi Square statistics = 9.7424,

Value of P = 0.001801

Thus the result is significant at the degree of freedom 0.05.

The null hypothesis  $H_0$  is rejected, and can say that there is significant relation between the gender and impulsive buying behaviour.

**CONCLUSION**

- When it comes to digital window shopping or browsing of products the customers prefer only mobile devices, where as there is minor population which still prefers laptops when making the purchase, the reason to it is the speed at which the functions are performed in laptop.
- Customers are more open about making the payments through mobile device, they consider it as a safe option and don't fear about the data being hacked.
- Application is more preferred over the websites, as it is easy to use, less time consuming and compared to website it has less banner ads.
- Advertising on mobile platform can be more beneficial as it leads to impulsive buying behaviour in consumers. Female consumer tends to be more impulsive buyers.
- Compared to 2017, the frequency of consumers using mobile commerce has increased.

## **SUGGESTIONS**

- Companies should develop more secure websites, which will not put the customers in risk of getting their device corrupt.
- Companies need to focus more on advertising on mobile devices as it could increase the traffic on their applications and websites.
- Network providers in India should provide high speed internet, the mobile phone companies should also increase the RAM of their devices so that the speed and multi tasking can be achieved by users. Websites and applications should also be well developed and easy to use in order to increase the speed of buying process.

## **LIMITATION AND FUTURE SCOPE**

- This study was conducted with a small sample size, it can also be studied for a larger group. This may gain some more prominent results.
- Very few factors were taken into consideration while conducting the research. It can be studied in detail using some more factors which leads to better understanding of the many other aspects of mobile marketing.

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**QUESTIONNAIRE:**

This questionnaire is to get the opinion on the impact of mobile marketing on the consumers.

- 1) What is your gender?
  - a) Male
  - b) Female
- 2) What is your age group?
  - a) Below 18
  - b) 18-28
  - c) 29-39
  - d) 40 and above
- 3) What is your educational qualification?
  - a) 10<sup>th</sup> pass or appeared
  - b) 12<sup>th</sup> pass
  - c) Under-graduate
  - d) Post-graduate
- 4) What is your occupation?
  - a) Student
  - b) Housewife
  - c) Employed
  - d) Self employed
- 5) What is your Income Level ?
  - a) Below 3 Lakhs
  - b) 3-4 Lakhs
  - c) 4-5 Lakhs
  - d) 5-6 Lakhs
  - e) Above 6 Lakhs
- 6) Which of the following device is convenient for online shopping?
  - a) Mobile device
  - b) Laptop
- 7) When digital window shopping (only looking not buying) which device do you prefer?
  - a) Mobile device
  - b) Laptop
- 8) How much time do you spend in day for browsing the products through mobile device?
  - a) Less than one hour
  - b) 1-2 hours
  - c) 2-3 hours
  - d) more than 3 hours
- 9) How frequently you buy products through mobile device ?
  - a) Once a week
  - b) Twice in a month
  - c) Once a month
  - d) Once a three month
  - e) Once a year
- 10) When shopping through mobile device what do you prefer?
  - a) Website
  - b) Application
- 11) Do you feel that making payments through mobile device will pose a risk of getting your other data hacked which is present on your mobile device?
  - a) Yes
  - b) No
- 12) What are the drawbacks of shopping through mobile device compared to laptops?
  - a) Small screen size
  - b) Risk of data being hacked/Virus
  - c) Slow speed
- 13) Did the frequency of your mobile shopping increased compared to last year ?
  - a) Yes
  - b) No
- 14) Do you fear opening random websites on mobile?
  - a) Yes
  - b) No
- 15) Did you purchase something impulsively just after viewing advertisement or receiving a offer SMS on mobile?
  - a) Yes
  - b) No