A Study on Mobile Marketing and its impact on Consumer Buying Behavior

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Abstract- In recent trends, the main medium of communication is through mobile phones, especially smart phones. Indian mobile market is one of the fastest growing markets due to the increase in the number of middle-income consumers. This has made the marketers to use the method of mobile marketing as one of the best platforms for advertising, brand awareness, promotions and reaching the customers in a way that have much bigger impact than the conventional method of marketing communication. Marketing activities conducted via mobile devices enable companies to directly communicate with potential customers by overcoming the barriers of time and geographical location. Thus, research on mobile advertising would impact greatly on the way business is done. This study aims to explore the impact of mobile marketing on the buying behavior of customers. A total of 100 valid responses were received from a survey in Hyderabad city. The results revealed that there exists a positive relationship between the attributes of customers using mobile phones and their behavioural intentions.

Keywords: Attributes of customers, Buying behavior , Mobile Marketing, Mobile Phones.

I. INTRODUCTION

India is the place, where every year new mobile users are entering into this segment which is very bright opportunity for marketers to market their products through mobile marketing as customer carries their mobiles everywhere to access anything anytime.

Mobile marketing has been considered a new form of marketing and provided new opportunities for companies to do businesses. Marketing activities conducted via mobile devices enable advertisers to directly communicate with potential customers in a fast speed and regardless the geographical location at lower cost as compared to the traditional marketing promotion.

Customers are to be reached by various channels but in today's world mobile marketing communication is the one which reaches more end customers. Marketing of the product is done for creating a positive impression of the brand, for better brand recall, to increase sales and to generate awareness marketers should take into account consumers' needs for security and privacy when designing a marketing plan. The marketers should maintain a balance between engaging consumers in their marketing mix and achieving the objectives of their marketing plan. In order to achieve this objective, the marketers must understand the factors, such as incentives and consumer attitudes, which affect consumer acceptance of advertisements via mobile phone.

Mobile marketing is marketing on or with a mobile device, such as a smart phone. Mobile marketing can provide customers with time and location sensitive, personalized information that promotes goods, services and ideas. According to Altuna and Konuk (2009), Plavini and Durgesh (2011), mobile marketing is referred to as the use of wireless technology to provide an integrated content regarding a product or a service to the intended customers in a direct manner. **Carter** (2008) defined mobile marketing in a different way, i.e."the systematic planning, implementing and control of a mix of business activities intended to bring together buyers and sellers for the mutually advantageous exchange or transfer of products" In this case, the key contact point with the intended consumers is their mobile phones.

II. OBJECTIVES OF THE STUDY

1. To determine the buying behavior and attitude of people towards mobile marketing.
2. To identify the facilitating and limiting factors associated with mobile marketing communication.
3. To understand the consumer acceptance level across different verticals based on the demographics for mobile marketing communication.

III. IMPORTANCE OF THE STUDY

In the modern era, mobile marketing has gained its importance in India. Therefore to increase the sales of products & services, marketers adopted this new form of marketing strategy. Although many research studies have been conducted world- wide to examine consumer attitudes towards a product or service, there has been insufficient research on customer attitudes towards mobile marketing, especially in India. This research study aims at exploring the impact of mobile marketing on consumer buying behavior. This is significant as there has not many similar studies on this field of marketing. The findings provide better insights to

companies on how to use mobile phones as one of the powerful tool to market their products.

IV. REVIEW OF LITERATURE

Dr. Shalini Nath Tripathi wrote a research paper on "Investigating the impact of mobile marketing in the current Indian scenario and proposing Customerization as a solution". According to this report customerization is very important and solves many customers negative thinking of mobile marketing. This also helps in getting better responsiveness from the customer hence helping companies. This is an important lesson for the companies as the focus on the mass marketing approach like mass mobile advertisements which might not satisfy many consumers needs hence customerization is important. The solution to this problem that is using software to customerize the mobile marketing approaches. The software can keep track of the likes and dislikes of the Consumer (CRM).

Karthikeyan and Balamurugan, conducted a study on "Mobile Marketing: Examining the impact of Interest, Individual attention, Problem faced and consumer's attitude on intention to purchase". The study was directed with the aim to study the perception of the mobile users towards mobile marketing and check its influence i.e. mobile marketing mainly mobile advertising influence on the mobile users with respect to purchase decision. The study concludes that with the type of mobile advertising the purchase decision varies.

Thurner, 2008; Altuna and Konuk, (2009):

Research has shown that m-marketing can be integrated with traditional marketing instruments to promote products and services of brands, and thus such combination of marketing tools will be able to improve the effectiveness and efficiency of the total marketing plan. Mobile devices have been considered one of the optimal options for communicating marketing information for the following reason. Apart from being cost effective and providing easy access to the target segmentation of consumers most of customers carry their mobile phones nearly 24 hours per day.

Friedrich et al. (2009).Apart from reducing the gap caused by time, distance, convenience, costless transportation and interactive channel of communication, customized information is another special feature which makes mobile marketing (m-marketing) emerge as an important and innovative marketing tool.

According to a survey conducted **Airwide Solutions** (a company provided mobile infrastructure and applications services); many advertisers are ready to invest in m-marketing. This survey has been conducted among 50 international brands, and the findings revealed that the number of brands looking to spend a greater proportion of their marketing budget on mobile campaigns in the future has been increased. About 71% of respondents would spend up to 10% of their budget on m-marketing.

V. RESEARCH METHODOLOGY

Research Design

The research is basically focused on the understanding of the consumer attitudes among mobile ads and their behavioral intentions. This research is a quantitative research and it is normally conducted with a questionnaire. The quantitative data is based on meaning derived from the collected data and analysis is performed through the use of statistical tools(Correlation using SPSS).

The research is based upon primary data as the secondary data alone could not help to achieve the research objectives.

Data collection

The data collected for the study include both primary data and secondary data. The secondary data collected include the review of literature regarding studies made on the same topic.

The data collection method is a structured survey includes (i) designing the survey tool (questionnaire), and (ii) distributing the questionnaire to potential respondents via electronic media (through Facebook) and in person. A pilot study has been conducted with 100 respondents.

Sampling

Convenient samples have been used to select the samples, based on accessibility and availability of the respondents. Both male and female participants have been selected to avoid gender imbalance. One of the requirements to participate in this survey was that the participant must have a mobile from and reside in the area of twin cities.

VI. DATA ANALYSIS

The tools used for the analysis of the study include SPSS (Statistical package for social studies). SPSS has been used to analyze quantitative data asked in demographic questions, behavior related questions, attitude related questions.

The factors considered for behavioral intension are:

i)Interest and acceptability.

ii)Active involvement and usage.

iii)Security and privacy concerns.

iv)Prefer internet via mobile phone

Correlation analysis has been conducted to test the relation between above factors and various demographic attributes of consumers.

Descriptive Statistics

	Mean	Std. Deviation	N
Factors	2.14	1.101	100
Gender	1.27	.446	100

Correlations

		Factors	Gender
Factors	Pearson Correlation	1	.046
	Sig. (2-tailed)		.652
	N	100	100
Gender	Pearson Correlation	.046	1
	Sig. (2-tailed)	.652	
	N	100	100

Since sig(2-tailed) is greater than 0.05, there is no correlation between gender and consumer buying behaviour on mobile marketing.

Descriptive Statistics

	Mean	Std. Deviation	N
Factors	2.14	1.101	100
Age	1.75	.957	100

Correlations

		Factors	Age
Factors	Pearson Correlation	1	.225*
	Sig. (2-tailed)		.024
	N	100	100
Age	Pearson Correlation	.225*	1
	Sig. (2-tailed)	.024	
	N	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

Since sig(2-tailed) is less than 0.05, there is correlation between age and consumer buying behaviour on mobile marketing.

Descriptive Statistics

	Mean	Std. Deviation	N
Factors	2.14	1.101	100
Profession	1.75	.947	100

Correlations

		Factors	Profession
Factors	Pearson Correlation	1	.199*
	Sig. (2-tailed)		.048
	N	100	100
Profession	Pearson Correlation	.199*	1
	Sig. (2-tailed)	.048	
	N	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

Since sig(2-tailed) is less than 0.05, there is correlation between profession and consumer buying behaviour on mobile marketing.

VII. LIMITATIONS

- The main issue in this study is that this research project only focused on the attitudes towards mobile marketing in general. It did not include specific product categories as one of the variables which may affect the attitudes of customers towards such products and mobile advertisements.
- The data is collected on the basis of convenience sampling so the result can be optimized by including more sample from the city. If the scale for measuring the attitudes is, i.e.is exclusively developed for analyzing the attitudes towards mobile advertisements in the near future, the results may be generalized to the whole population in the city.

VIII. CONCLUSION

The result reveals that there is a significant positive relationship between consumer attitudes and behavioural intentions for the sample. It means the more the consumers' attitudes are positive toward the mobile marketing, the more affirmative are their behavioral intentions. The answers to the research questions are as follows:

a. The customer attributes tend to be positive for all the four factors. Hence, we can say that the consumer attitudes towards mobile marketing are positive.

b. according to the study, gender of the consumer does not have impact on mobile marketing.

c. As there is a correlation between the age group and profession of the consumers towards mobile marketing. Hence this becomes limiting factor for the marketers.

d. The study revealed that interest and usage of the product has an impact on consumer buying behavior.

e. As expected before conducting the research project, there is a direct co-relation between customer attitudes and their behavioral intentions regarding mobile advertisements.

Companies should invest in developing applications which can help them advertise their products and

services in better way through mobile to reach the consumers. Generally mobile marketing does not get much responsiveness and many advertisements sent on the mobiles are deleted without noticing hence failing the purpose of the mobile marketing. But when a customer gets his choice of advertisements including the brand he/she likes; the kind of product he/she enjoys the advertisement gets responsiveness. Since the behavior intent seems to be on the positive side, companies have to make sure that their mobile advertisements do not divert customers' intention. Finally, the advertisers should make sure that current and potential customers do not get irritated due to receiving so many mobile advertisements, and they should ensure that the advertisement is designed in an informative way.

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