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Consumers’ Motivation to purchase Using Shopping Apps: An Empirical Study

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Abstract

One of the crucial questions that shopping involves is that why do people shop. One way to give an answer to this question is to examine consumers’ shopping motives. According to an article in “The Strategist – Business Standard” published on 27th April 2015, leading m-commerce companies like Flipkart, Myntra, Snapdeal, etc. receive 70% to 90% of their traffic from mobile Apps. The current

research aims to determine the motivational factors of the consumers to purchase products through shopping Apps of online retailers. Customer prefers to purchase products using mobile apps mainly because of mobility, broad reachability, ubiquity convenience, and localization of products and services attributes.

The study explores shopping motivation to purchase using Shopping Apps among young Indian consumers. Data will be collected from 114 respondents using a structured questionnaire in Ahmedabad city. Exploratory factor analysis will be done using SPSS 20.0 to indentify the motivations of purchasing using shopping apps. Paper will end with the discussion of output and implications.

Keywords: Mobile Apps, Motivational factors, Exploratory Factor Analysis

Introduction

Shopping has been one of the integral parts of our life. The world is moving towards digitization, shopping has also gone online. Online retailers like Flipkart, Myntra, Amazon, to name a few, have introduced their applications so that people can buy using the same. Flipkart gets more than 75 per cent of its traffic on its m-commerce platform, whereas Snapdeal gets around 70 per cent of its traffic from its m-commerce platform.¹ It is important to understand the motivations of consumers to use shopping apps to purchase the products.

OBJECTIVES THE STUDY

Main objective of this study is to investigate the motivations of consumers to purchase products using mobile shopping apps.

This research paper is divided into three major sections. First, we discuss the theoretical background and previous research that has been conducted in this area. Although there has been a dearth of shopping motivation related studies in the Indian context, theoretical exploration can be based on international studies carried out in other countries. Second, we present the research

¹ *The Strategist, Business Standard, 27th April, 2015.*

methodology adopted to investigate the motivations of consumer to purchase using shopping apps. Finally, we provide a general discussion of the findings, as well as limitations of the study and directions for future research.

LITERATURE REVIEW

Shopping is one of the integral parts of the today's world. One of the crucial questions that shopping involves is that why do people shop. One way to give an answer to this question is to examine consumers' shopping motives. Motivation refers to the drive, urge, wish, or desire that leads to a goal-oriented behavior (Mowen, 1995). When someone feels the need to acquire a product, he goes shopping. But shopping does not occur only to acquire a product. There are many reasons or needs why an individual decides to leave his home for shopping and go to a shopping location. These reasons or needs are called shopping motivations. Hirschman and Holbrook (1982) describe consumers as either "problem solvers" or in terms of consumers seeking "fun, fantasy, arousal, sensory stimulation, and enjoyment."

Several researchers have studied shopping motivations in various contexts, resulting in a broad range of literature (Arnold and Reynolds, 2003; Babin, Darden & Griffin 1994; Batra & Ahtola 1991; Bloch, Ridgway & Dawson, 1994; Tauber, 1972; Westbrook and Black, 1985).

Many motivations exist as shopping goals, but most typologies consider utilitarian and hedonic motivations as fundamental to understanding consumer shopping behavior because they maintain basic underlying presence across consumption phenomena (Babin, et al., 1994).

Utilitarian motivation involves satisfying functional or economic needs (Babin et al., 1994) and often been characterized as task related and rational (Batra & Ahtola, 1991). In the utilitarian

view, consumers are concerned with purchasing products in an efficient and timely manner to achieve their goals with a minimum of irritation (Childers et al., 2001). Utilitarian motivations includes convenient shopping; procuring goods, services, or specific information; and reducing the costs (i.e., money, time, and effort) that may have to be expended in transportation, finding specific products or services, and waiting in check-out lines (Kim & Kang, 1997).

Hedonic shopping is viewed as a positive experience where consumers may enjoy an emotionally satisfying experience related to the shopping activity regardless of whether or not a purchase was made. Shopping is fun. Hedonic shopping motivation may be derived from ambience, entertainment, browsing, and social experiences outside the home for e.g., meeting friends, watching people (Babin et al., 1974).

This dual taxonomy of shopping motivations (utilitarian and hedonic) is also applicable to shopping using online shopping apps. Kau et al., (2003) concluded that top reasons for buying online are convenience, unique merchandise and competitive prices. Shopping convenience, information seeking, and social interaction gained from shopping, shopping as a recreational experience itself, variety and the desirability of immediate possession are some of the motivating factors to buy online. Research done by Swaminathan et al. (1999) suggest that convenience is an important factor, particularly because location becomes irrelevant in the online shopping context. The online shopper may be motivated by the convenience of placing orders online at home or at the office any time of day (Bellenger and Korgaonkar, 1980; Eastlick and Feinberg, 1999). Consumers who shop online may avoid the problems of crowding and standing in line (Morganosky and Cude, 2000).

Research Methodology

A structured questionnaire was developed to measure the motivations of customers to purchase products using mobile shopping apps. In total 34 items were developed to measure the shopping motivations to purchase products using mobile shopping apps. Some items were adapted from previous studies, and some were developed by the researchers. All of these were seven point likert-type scales in which respondents were asked to indicate their level of agreement (1 = *strongly disagree* to 7 = *strongly agree*). Lastly, the questionnaire also consisted questions to solicit demographic information of the respondents such as gender, age and education.

Demographic Profile of the Sample

The respondents of this survey were consumers who had some experience of purchasing products using mobile shopping apps. A total of 114 respondents participated in the survey. Selected demographic characteristics of the sample including gender, age, and education are presented in Table 1 below.

Table 1: Demographic details of the respondents

Variables		Frequency	Percentage
Age	<25	103	90.4
	25-40	11	9.6
Gender	Male	93	81.6
	Female	21	18.4
Education	Higher Secondary	15	13.2
	Bachelor Degree	76	66.7
	Master Degree	23	20.2
Do you use mobile apps for shopping?	Yes	94	82.5
	No	20	17.5

The sample consisted of 81.6% of male and 18.4% female respondents. Respondents were mainly between the ages of 16 and 40 years Out of which 90.4% were below 25 years and 9.6% were between the ages 25 to 40 years.

Table 2 shows the basic statistics like mean, standard deviation (SD), Skewness and Kurtosis values.

Table 2: Basic statistics of the statements in questionnaire

Statements	Mean	S.D	Skewness	Kurtosis
Good offers from Apps	5.83	1.01	-1.74	5.35
Discounts from apps than websites	5.64	1.15	-1.02	1.80
Apps are appealing	5.36	1.11	-0.95	1.44
Detailed info of product	5.51	1.24	-0.85	0.18
shop 24*7	5.99	1.25	-1.53	1.93
only require smart phone	5.79	1.43	-1.43	1.74
Apps save time	5.89	1.06	-0.90	0.65
Apps save energy	5.77	1.26	-1.28	2.25
shopping is fun on app	5.18	1.28	-1.19	2.21
salesman cannot cheat	5.02	1.44	-0.92	0.48
Can easily buy a product when I get information.	5.72	1.22	-1.63	4.08
easy navigation	5.39	1.16	-1.11	1.71
shop because friends do so	3.93	1.70	-0.24	-0.90
shop because relatives do so	3.77	1.66	-0.13	-0.86
shop because of positive review	4.89	1.50	-1.14	0.89
easily search any product	5.61	1.29	-1.43	3.03
compare products	5.67	1.42	-1.32	1.59
info of any product	5.52	1.30	-1.48	2.69
feel involved	5.05	1.41	-0.85	0.40
less data package	4.62	1.60	-0.68	-0.31
1 time personal info	5.15	1.43	-0.80	0.33
regular notifications of deals	5.63	1.40	-1.49	2.28
feel happy	5.14	1.38	-1.11	1.30

Surfing “Shopping application” makes me feel better even if I don’t buy anything	4.92	1.50	-0.98	0.74
stress relieving	4.67	1.58	-0.65	0.02
immediate confirmation	5.75	1.29	-1.73	3.74
to see latest fashion	5.58	1.45	-1.48	2.35
new products/brands/design available	5.70	1.36	-1.88	3.88
record of past search and purchases	5.71	1.10	-1.50	4.41
no mental effort	5.25	1.61	-1.14	0.84
easy to use	5.99	1.17	-1.80	4.66
flexibility of tracking information	5.86	1.05	-1.55	4.30
cannot bargain	2.35	1.36	1.31	1.69
no feel of touching	2.25	1.21	1.14	1.64

Factor Analysis

Factor analysis was adopted to capture the motivational factors for shopping using mobile shopping apps. Table 3 summaries the results of the factor analysis which was run using the Principal Component Approach with a varimax rotation.

Table 3: Factor Analysis

	Factor Loadings	Communalities	Cronbach Alpha
Factor 1: Product Information			
Detailed info of product	.665	.565	0.755
immediate confirmation	.640	.656	
new products/brands/design available	.647	.781	
flexibility of tracking information	.591	.637	
Factor 2: Stress Relieving			
easy navigation	.593	.639	0.82
feel happy	.574	.649	
Surfing “Shopping application” makes me feel better even if I don’t buy anything	.602	.573	
no mental effort	.777	.686	
easy to use	.664	.706	
Factor 3: Upgraded trend			
less data package	.719	.731	0.713
1 time personal info	.699	.665	
to see latest fashion	.604	.731	

Factor 4: Ease to compare products			
compare products	.669	.702	0.71
info of any product	.643	.640	
cannot bargain	.714	.605	
Factor 5: Peer influence			
shop because friends do so	.931	.912	0.967
shop because relatives do so	.932	.929	
Factor 6: Convenience			
shop 24*7	.566	.546	0.567
only require smart phone	.739	.742	
Factor 7: Discounts and Offers			
Good offers from Apps	.623	.610	0.623
Discounts from apps than websites	.820	.724	
Factor 8: Resource Saving			
Apps save time	.648	.723	0.61
Apps save energy	.821	.737	

Bartlett's test of sphericity and Kaiser-Meyer-Olkin (KMO) measure are adopted to determine the appropriateness of data set for factor analysis. High value (between 0.5 to 1) of KMO indicates that the factor analysis is appropriate, low value below the 0.5 implies that factor analysis may not be appropriate. In this study, the result of Bartlett's test of sphericity (0.00) and KMO (0.816) indicate that the data are appropriate for factor analysis.

In this study, factor analysis was carried out in two stages. In stage one, known as the factor extraction process, objective was to identify how many factors to be extracted from the data. Using principal component analysis, twenty three items were extracted by eight factors. Only the factors having latent roots or eigenvalue greater than 1 were considered significant; all factors having eigenvalue less than 1 were considered insignificant and were discarded. All the eight factors together accounted for 66.56 percent of the total variance. In the second stage, all the

factors were interpreted and labeled. Items having factor loading more than 0.55 were included in the interpretation.

Cronbach's alpha (or coefficient alpha) is the most commonly used measure to judge the internal reliability of factors or constructs. The generally agreed upon the lower limit for Cronbach's alpha is 0.60 (Malhotra, 2006). Table 3 also shows the Cronbach's alpha for each motivational factors of shopping using shopping apps. From the Table 3, it can be seen that the value of alpha for each factors is above the cutoff value of 0.6, indicating good internal reliability of the factors. The alpha value for the factor "convenience" is below acceptable level. This factor is discarded from further analysis.

Differences between male and female and age groups on these motivational factors were analyzed. Significant difference was found between male and female on only one factor of resource saving ($p < 0.05$). Male participants are more motivated by resource saving in purchasing using shopping apps than female participants. For other motivational factors, no significant difference was found between male and female participants. Significant difference was found among age groups on motivational factors like product information, ease to compare products and resource saving ($p < 0.05$). In sample, participants with age less than 25 years are more motivated for product information, ease to compare products and resource saving than people with age between 25 to 40 years.

Conclusion:

The objectives of this study were to find out the motivational factors for consumers using mobile shopping apps and to study variations in these motivational factors among different demographic variables such as age and gender.

With factor analysis, seven motivational factors such as product information, peer influence, upgrading trend, resource saving, discounts and offers, ease to compare products and stress relieving are captured. In addition these study shows that male participants are more motivated by resource saving in purchasing using shopping apps than female participants. It is also found that participants with age less than 25 years are more motivated by product information, ease to compare products and resource saving than people between 25 to 40 years.

Limitations:

- Due to constraint of time, 114 samples were included.
- This study is applicable only to Ahmedabad city.

Managerial Implication:

This study will help managers to understand the motivating factors of customers to shop using mobile apps. This study may help them to know their consumers and help them to craft the marketing strategy for providing overall excellent experience to consumer in purchasing products using shopping apps.

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