THE EMERGENCE OF M-COMMERCE APPS AND CHANGING SHOPPING BEHAVIOUR OF CONSUMER

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Abstract: With increasing penetration of internet and smart phone in India, shopping through mobile apps are becoming new age trends in retail sector. Huge adoption of smartphones, 4G internet services on mobile and apps have given wings to m- commerce industry in India. M- Commerce is similar to e- commerce making transaction through mobile by using internet. E-commerce was introduced anytime online transaction and M- commerce is introduced anytime anywhere transaction. As a result m- commerce industry is expected to capture 80% of Indian e- commerce market by 2020. Emerging new mobile apps provides a new platform for the company to reach the end consumers. This research paper give insight which apps is preferred by consumer and why they prefer and what products they shop in Pune region.

Key word: M- commerce, Mobile Apps, Smartphone, Shopping apps

Introduction:

Growing number of smartphone user and roll out of 3G and 4G services in India mobile has become alternate medium of communication, transaction and sharing information. Phenomenal growth has been observed in m- commerce services after the introduction of 3G and 4G services. As on June 2017 the total number of wireless broadband subscribers were 300.84 million (TRAI Press release June 2017) and smartphone users have reached more than 331 million as on July 2017 (Hindustan times). With surging internet penetration, mobile retail and shopping through apps are emerging a new trend in Indian retail market. After e- commerce, m- commerce is developing the way for online shopping. E- Commerce is electronic commerce through which transaction is made on desktop computers, laptops by using internet. M-commerce is E- commerce making transaction on mobile by using internet. Due to ubiquity, mobility and flexibility features of m-commerce services people able to do shopping, searching product information, ticket booking, and utility bill payment anytime and anywhere. As on September2017, 35.9% (Statista, 2017) android smartphone user downloaded shopping apps. Many E- commerce companies made impressive profit in last few years. The evolution of E- commerce and got phenomenal success in this industry has given birth to m-commerce. Recently the industry saw a paradigm shift of e- commerce to m- commerce due to smartphone penetration into the market. Thus industry specially online retailer and stores is demanding mobile apps development. Mobile apps are becoming a favourite touchpoint for a shopper's. From buying groceries and ordering food, to booking a cab, about 94 per cent of smartphone users in India are discovering, searching for and purchasing an item using retail and shopping app (Criterio October 2017).

Literature Review:

E-bay India Muraliikrishnan, 2012 said Mobile commerce has started gaining transaction in India with leapfrogging penetration of smartphone. A large number of people now use their smartphones to shop and compare price as well. The Popular online retailers are registering 25 times more sales through smartphone in a year. The mania of downloading shopping apps on mobile boosting the growth of m- commerce. According to an IBM report (2015), mobile account for 45% of all online traffic during the holiday season and 22.6% of the total online sales came from mobile devices in 2014. Smartphones and tablets are having significant impact on online purchasing products and services and even some mobile shopping apps are reshaping the traditional business model. There are some apps available in google and apple play store which enables to compare the products and services with other websites (Sig Ueland, IBM report 2015).

A survey was conducted by Criteo on Indian consumer, it is marketing technology company (October 2017) they found that increasing number of mobile shopping apps boosting the m-commerce services in India. They found about 74% respondents had installed two to five shopping apps on their smartphones. Mostly 88% respondents buy fashion related products, 78% respondents buy electronic products and 54% health and beauty related products. Report also said respondents purchase their products through mobile apps two to five times in a month. Criteo Report (October, 2017) also indicates that convenience, range availability of products, flexibility of payment options and customer service are the significant factors for installing apps in mobile.

Paranav poddar (December, 2016) he estimated retail industry through m- commerce apps will account 80% of retail e- commerce in India by 2020. M-commerce industry in India continuous to grow, it registered 65.3% share of e- commerce reached $10.46 billion in December 2016.

Retail mCommerce Sales in India, 2015 - 2020

Source: eMarketer, Dec 2016 — Sales in USD Billion — % of Retail eCommerce Sales — DAZ@INFO

   Another survey was conducted by Pranav Poddar December 2016 on Indian consumer and he found that 83% Shoppers in India use their Smartphone for Shopping Online. Report also gives insight why people prefer mobile apps. He found about 94% respondents prefer apps over a website to make online shopping because of apps provide better speed and shopping experience compared to website.
India's top 10 retail apps has registered 440% growth in retail apps download, which was phenomenal growth than developed countries such as the United States and Japan. Download growth in India was driven by India's mobile-first apps company, Flipkart and Paytm, as well as global giant Amazon (AppAnnie, 2015).
   To stimulate the shoppers to use shopping apps, almost every major e-retailer companies are offering additional discount on product purchased through mobile apps (AppAnnie, 2015).

[Table: 1] The top 10 mobile shopping apps in India according to AppAnnie:

Rank	Shopping Apps	Company
1	Flipkart	Flipkart
2	Paytm	One 97
3	Amazon	Amazon India
4	Snapdeal	Snapdeal
5	Myntra	Myntra
6	Jabong	Jabong
7	Shopclues	Shopclues
8	Voonik	Voonik
9	Limeroad	Limeroad
10	Yepme	Yepme

Source: (AppAnnie December,24 2015)

The table presented by AppAnnie shows that Filpkart was market leader as on report December 2015, followed by Paytm and Amazon.

Objectives of the study:
1.   To understand the shopping pattern of the consumer in Pune region.
2.   To know the reasons of using mobile apps.
3.   To know the apps that are preferred by consumer in Pune region.

Research Methodology:
   Descriptive research was used to meet the objectives of the research, 200 questionnaires were distributed among the mobile apps user who shops usually from mobile apps in Pune region. Non probability convenience sampling was used. Structured questionnaire was used to collect the responses of the respondents. Since one respondent used more than two apps for shopping on account of that five point Likert's scale was used to measure the responses. 173 questionnaires were found complete and 27 questionnaires were incomplete. Finally 173 sample sizes were considered for the study. Microsoft excel was used for data analysis.

Data Analysis:

Table 2: Demographic Characteristics

Variable	Characteristics	Frequency	%
Age (years)	<20	5	1.73
	20 -30	112	64.74
	31-40	56	32.4

Gender	Male	81	46.82
	Female	92	53.18
Qualification	10th	2	1.16
	12th	14	8.09
	Graduate	69	39.88
	Post graduate	88	50.87
House hold Income	<2 LPA	8	4.62
	2-5	57	32.95
	5-7 LPA	40	23.12
	7-10 LPA	35	20.23
	>10 LPA	33	19.08

Mostly 53.18% respondents were female that means shopping through apps is was preferred by female, 46.82% respondents were male. 64.74% respondents belonged to 20- 30 years age i.e. this age group is passionate about shopping through mobile apps and 32.40% respondents belonged to 31- 40 years age group. Mostly 50.87% respondents had postgraduate qualification and 39.88% respondents was graduate. It shows that highly educated people preferred to use shopping apps. Average income group people who had house income2- 5 lakh preferred to shop through apps.

Table3: Reasons for using Mobile apps

	TV &Print Advt.	%	Convenience	%	Friend's recommendations	%	Discount & Promotion	%	Free Apps available in Phone	%
Highly Disagree	17	9.83	30	17.34	5	2.89	9	5.20	8	4.62
Disagree	20	11.56	35	20.23	10	5.78	12	6.94	24	13.87
Neutral	10	5.78	15	8.67	17	9.83	20	11.56	36	20.81
Agree	68	39.31	75	43.35	67	38.73	84	48.55	77	44.51
Highly Agree	58	33.53	18	10.40	74	42.77	48	27.75	28	16.18
Total	**173**	**100**	**173**	**100**	**173**	**100**	**173**	**100**	**173**	**100**

Interpretation: 72.18% respondents said they use mobile apps due to TV and print media advertisement. 53.75% respondents said mobile apps is very convenience to shop, it save our time. They said they can place their order any time anywhere. 81.50% respondents responded that they started using apps due to friend recommendation.

76.30% respondents said they use apps when company give some discount and offer on product. 60.69% respondents said they use apps because of the apps is free available on mobile, 20.81% respondents were neutral on the question of free apps available on mobile.

Table 4 Products buying through mobile apps

	Never	Rarely	Occasionally	frequently	Always	Total
Books	48	59	40	20	6	173
%	27.75	34.10	23.12	11.56	3.47	100
Movies, Music and Video Games	52	33	58	22	8	173
%	30.06	19.08	33.53	12.72	4.62	100
Mobile and tablets	33	42	53	34	11	173
%	19.08	24.28	30.64	19.65	6.36	100
Laptop and computer accessories	52	55	41	22	3	173
%	30.06	31.79	23.70	12.72	1.73	100
Furniture and Kitchen Appliances	72	41	29	23	8	173
%	41.62	23.70	16.76	13.29	4.62	100
Toys and Baby Products	84	30	33	19	7	173

%	48.55	17.34	19.08	10.98	4.05	100
Sports and Fitness Products	74	29	27	32	11	173
%	42.77	16.76	15.61	18.50	6.36	100
Beauty and Health Products	66	34	30	28	15	173
%	38.15	19.65	17.34	16.18	8.67	100
Clothing and accessories	30	25	32	53	33	173
%	17.34	14.45	18.50	30.64	19.08	100
Jewellery, Watches and Eye wear	53	37	32	33	18	173
%	30.64	21.39	18.50	19.08	10.40	100
Handbags and Luggage	59	39	41	25	9	173
%	34.10	22.54	23.70	14.45	5.20	100

Interpretation: 30.64% respondents said frequently buy and 19.08% said always buy clothing and accessories through mobile apps, 18.50% respondents said they buy clothing products occasionally i.e. approx. 87% respondents used mobile apps for shopping. 33.53% respondents said they buy music, video and game CD occasionally only 4.62% respondents said they buy CD always i.e. approx. 70 % respondents used mobile apps for buying CD of movies, music and video games.

30.64% respondents said they buy mobile, tablet from e-retailer occasionally, 19.08% said they never buy this product from e- retailer company i.e. 81% respondent bought mobile phone or tablet through Mobile apps e- retailer company.

27.75% respondents said they never buy books from mobile apps company because they want to see content inside the book, 23.12% respondents said they buy occasionally i.e. approx. 82% respondents bought books trough mobile apps.

48.55% respondents said they did not buy toys and baby products from mobile apps company, 17.34% said they buy rarely and 19.08% respondents said they buy occasionally i.e. approx. 51% respondents bought baby products from m- Commerce Company.

16.76% respondents said they rarely buy sports and fitness products through mobile apps, 15.61% said occasionally, 18.56% said frequently and 6.36% respondents said always buy sports and fitness products from mobile apps. As per above table approx. 57% respondents bought sports and fitness products from mobile e-retailer company. 19.65% respondents said rarely buy, 17.34% respondents said occasionally, 16.18% respondents said frequently and 8.67% respondent said they always buy beauty and health products through mobile apps i.e. 62% respondents used mobile apps for shopping health and beauty products.

22.54% respondents said rarely and 23.70% respondents said frequently, 14.45% frequently and 5.20% said they buy handbags and luggage through mobile apps I.e. 66% respondents used mobile apps for purchasing handbags and luggage.

Approx. 69% respondents used mobile apps for shopping to buy jewellery, watches and Eye wear.

Table: 5 apps which is preferred by the customer:

	Never	Rarely	Occasionally	frequently	Always	Total
Flipkart	7	30	60	55	21	**173**
%	4.05	17.34	34.682	31.79	12.14	**100**
Amazon	16	28	51	47	31	**173**
%	9.25	16.18	29.48	27.17	17.92	**100**
Snapdeal	79	40	29	15	10	**173**
%	45.66	23.12	16.763	8.671	5.78	**100**
Paytm	40	30	46	40	17	**173**
%	23.12	17.34	26.59	23.12	9.83	**100**
Shopclues	74	40	28	26	5	**173**
%	42.77	23.12	16.185	15.03	2.89	**100**
Yep Me	97	37	18	16	5	**173**
%	56.07	21.39	10.405	9.249	2.89	**100**
Groupon	105	38	16	9	5	**173**
%	60.69	21.97	9.2486	5.202	2.89	**100**
Jabong	73	35	26	25	14	**173**
%	42.20	20.23	15.029	14.45	8.09	**100**
Myntra	54	27	36	37	19	**173**
%	31.21	15.61	20.809	21.39	10.98	**100**

Interpretation: 86% respondents said they use Flipkart mobile commerce apps for shopping, 81% respondents said they use amazon mobile apps for shopping, followed by Paytm(77%), Myntra (69%). Yep me apps was the least user for shopping. Table also indicate that one respondent used more than one apps for shopping.

Conclusion, Limitation and Further research

As Appannie report said Flipkart was market leader in 2015, researcher finding support the appannie's report, Flipkart is still market leader, followed by amazon and paytm. Consumer still prefer to shop from flipkart, amazon and paytm apps because it gives more discount and promotional scheme to consumer and they get recommendation from their relatives and friend. Most of the consumer first prefer to buy clothes, accessories and electronic products through apps, followed by books, video, music and game CD and beauty products. People mostly influence from friend and relative to use mobile apps to shop, then after they get influenced from TV and print media advertisement and discount and offer in Pune. Literature review also said that social influence and offer on e-retailer apps influence shoppers to use mobile apps.

This research was limited to Pune city and sample size was restricted to only 173. More factors can be considered for further research. Research can be done on intention to download mobile apps in Indian context or can be done continuance of services offered by m-commerce companies. The same research can be done on large sample size or cross cultural studies can be done.

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