A Study of Purchase Decision and Its Affecting Factors for Mobile Shopping Among Smartphone Users

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Abstract. With the popularity of Smartphones and the improvement of shopping experience, mobile shopping has become a fashion. In the mobile terminal business market, mobile shopping is developing rapidly, and the mobile shopping has become an important supplement to the online shopping market. Whether mobile shopping will replace the PC online shopping has become a hot topic in the industry. Considering these, this research will adopt interview, questionnaires and server log files to collect data, and explore purchase decisions for mobile shopping among Smartphone users in China. We expect to find the factors affecting mobile shopping among Smartphone users and the relationship between these factors and mobile shopping decision–making model. We expect that the findings have important significance on the design of mobile purchase website and online marketing strategy making.

Introduction

With the development of the computer and internet technology, e-commerce has become a new economic model. As a new way of shopping, online shopping attracts more and more consumers (individual consumers and institutional buyers). According to the CNNIC data, until to December 2013, the transaction amount of online shopping market in China reached 1.85 trillion Yuan, an increase of 40.9% compared with 2012. Online shopping users in China reached 302 million, representing an increase of 59.87 million compared and an increase of 24.7%, and the utilization rate increased to 42.9% from 48.9%. The scale of online shoppers has expanded rapidly, which laid the users foundation of online shopping market.

![Number of online shopping users and Penetration rate of online shopping](image.png)

Figure 1. Source: CNNIC China's online shopping market statistics, 2014.04.

With the popularity of smartphones and the improvement of shopping experience, mobile shopping has become a fashion. In the mobile terminal business market, mobile shopping using Smartphones is developing rapidly. By the end of 2013, mobile shoppers using Smartphones reached 144 million and the utilization rate rose to 13.2% from 28.9%. Mobile shopping using...
Smartphones has become an important supplement to the online shopping market. Whether the mobile shopping will replace the PC online shopping has become a hot topic in the industry. From the current point of view, online shopping is still dominated by PC; in a long period of time, mobile shopping using Smartphones and PCs complement each other and the use of Smartphones will gradually replace the PCs for online shopping in the future.

However, even though mobile shopping has become increasingly prevalent among customers around the world, there is still a lack of academic research focused on using Smartphones. From the angle of mobile shopping decision–making model, this research will focus on mobile shopping among Smartphone users in China. Combined with consumer utility theory and information economics theory, the researchers will investigate the factors affecting mobile shopping using Smartphones, through data collection and analysis to explain consumers’ purchasing motivation using Smartphones. On one hand, the paper will fulfill the gap on e-commerce consumers’ behavior research; On the other hand, the results will help businesses to better meet consumer demand and provide theoretical support for the sustainable development of E-commerce industry.

Research Design


There are many variables affecting online purchase models. This research project will focus on mobile shopping using Smartphones application situations, the cognition of mobile shopping characteristics and consumers’ individual characteristics.

Relationship between Online Shopping Situations and Decision-Making Model

Although the mobile devices screen is limited in size and functionality compared to PCs, there isn’t much difference in online shopping, and mobile shopping using Smartphones can meet users’ majority needs. Besides, customers prefer the convenience provided by the mobile devices, especially when customers are reluctant to invest in dedicated time. Because of their enhanced digital mobility, mobile shopping allows customers to shop under all types of temporal or spatial situations [6]. Hand et al (2009) [7] propose that shopping online is often a result of “situational factors”. Thus, online shopping situations become one of the key factors affecting the choice of users’ online shopping devices. Therefore, we believe that if online shopping scenarios are different, there will be correspondingly different decision models. Thus, we posit the following:

H1. Online shopping situations using affect Purchase decision-making

First, we will classify online shopping scenarios, such as working, family leisure time, having a meal, the car on the way, queuing, going to bed, getting up in the morning and so on, and then we further examine the corresponding relationship between the different scenarios and decision-making model. Through the questionnaire to collect data, the study will use factor analysis to identify online shopping situations, and then search out mobile shopping using Smartphones situations categories. Finally we will test the relationship between mobile shopping using Smartphones situations and decision-making model. If there is a different relationship, the study further identifies the corresponding relationship between the categories.
The Impact of the Cognition of Mobile Shopping Characteristics on the Consumers’ Purchase Behavior

With the popularity of Smartphones and the improvement of shopping experience, mobile shopping groups especially Smartphones users gradually grow, and have formed distinct online shopping attitude. Neslin and Shankar (2009) [8] find customers shopping from multiple channels have higher customer lifetime value. Even though limited in size and functionality, Smartphones provide convenient access, which may lead to purchase intentions. However, the success of mobile shopping transactions depends on the cognition of mobile shopping characteristics. For example, whether mobile shopping experience among Smartphones users is enjoyable? Whether mobile shopping using Smartphones is better than the PCs? We therefore posit the following:

H2. The better mobile shopping experience among Smartphones users, the more positive mobile shopping intention

H3. The more cognitive advantages of mobile shopping using Smartphones, the more positive mobile shopping intention

For this hypothesis, we select two kinds of variables (mobile shopping experience among Smartphones users, cognitive advantages of mobile shopping using Smartphones). Mobile shopping experience refers to the convenience, enjoyment, adaptability and satisfaction of mobile shopping using Smartphones. Cognitive advantages of mobile shopping are the consumers’ understanding of mobile shopping advantages using Smartphones. The understanding not only could be from experience, also may be from the spread of mouth-formation. We will use online questionnaires and server log files to collect data.

The Impact of Individual Characteristics on the Mobile Shopping Behavior

A number of empirical studies find individual characteristics impact the stages of the purchase decision-making process, such as product involvement and consumer profiles [9, 10]. Consumers with high levels of knowledge are more aware of their preferences [11]. Computer and network experience have a major impact on online shopping behavior [12]. Therefore, we select two kinds of variables (demographic and technology traits). Demographic variables including sex, age, occupation and so on. Technology traits include level of experience of using Smartphones, the knowledge of the Smartphones network and technology self-efficacy.

H4. Demographics influence the mobile shopping behavior among Smartphones users

H5. Technology traits affect online purchase behavior among Smartphones users

![Figure 2. Conceptual framework.](image-url)
**Expected results**

Hypothesis 1 is to investigate the relationship between online shopping situations and decision-making model. Hypothesis 2 and 3 aim to examine how the cognition of mobile shopping characteristics affects Smartphones consumers’ purchase behavior. Hypothesis 4 and 5 investigate the impact of individual’ characteristics on the mobile shopping behavior.

Based on the above research, we will form an integrated conceptual framework about mobile shopping behavior among Smartphones users and find the factors affecting mobile shopping and the relationship between these factors and mobile shopping decision–making model. This work will contribute to e-business literatures by extending online purchase behavior. Besides, this research will help retailers and brands in planning their mobile marketing strategies, designing mobile purchase website and advertising campaigns.

**References**


