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Influence of Smartphones on Shoppers Behaviour: An Empirical Study

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Abstract: Recognizing the importance of technology like smartphones during shoppers purchase journey, this paper reports results from an empirical study that investigates Smartphone's influence on Shoppers before visiting a store and inside store undertaken in organized retail in Delhi. One hundred fifty shoppers' data was attained using a survey questionnaire. Study reveals that before visiting a store majority of shoppers use smartphones to receive discount offers and coupons to redeem them at store followed by barcode scanning to know more about products, receiving promotional SMS, researching products and locating nearby stores. However while inside store shopper use smartphone to access promotional coupons followed by checking product reviews online, scanning barcode for price comparison with other retailers, product knowledge, checking prices on retailer's mobile site, price comparison online, making an online purchase at other retailer. Based on the findings the research provides retail marketing strategies. Research outcomes encourage retailers to implement technology driven targeted marketing.

Keywords: Shopper, Retail, Retail marketing, Behaviour, Technology.

I. Introduction

Technologies such as smartphones are driving buying behaviour as never before. Technological developments have opened up new opportunities to influence shopper attitudes and behavior [1]. Shoppers are using smartphones for searching products, coupons, price comparisons etc. which is influencing their perception. Technology has given power to both marketer to influence shopper buying cycle and the shoppers who have more control over the access and use of information than ever before. Understanding how a shopper behaves with the smartphone is thus imperative for retailing and manufacturing organizations to affect shopper attitude and behaviour along the shopping cycle. The present paper explores shoppers' Smartphone behaviour in a market like Delhi. Based on the findings it suggests shopper Marketing strategies to retailers and manufacturers.

II. Review of Literature

Researchers have highlighted the use of Smartphone during the buying process [2] observed shoppers' behaviour in traditional and new formats in the city of Ahmedabad. The research highlighted that Shoppers generally refrain from browsing and getting the touch and feel of the products while buying from the traditional format. In most cases they window shop. However in case of the new retail format, they browse and consider several brands before choosing. The findings also revealed that some shoppers make telephone calls to their family members for advice and to obtain "remote approvals" [3] mentioned that Shoppers often visit the websites of manufacturers and retailers prior to making purchase decisions. Few researches highlight the usage of smartphone by retailers in offering promotions and other offers and by shoppers for gathering information etc. [4] mentioned that retailers are looking forward to offer real time coupons while shopping. They would offer loyalty cards on smartphones. Even shoppers are comparing prices & scanning information using their smartphones [5] highlighted that US marketers must contend with shoppers who can use their smartphones inside stores to check whether the special promotions are actually special and shoppers can compare prices [6] revealed that promotions inside store targeted to shoppers based on their projected shopping path and delivered via mobile shopping app can increase path length [7] revealed that in US most of cell owners used their phone while inside a store to call a friend or family member for advice about a purchase they were considering followed by look for reviews of a product to help decide if they should purchase it and look for prices of a product, to see if they could get a better price elsewhere.

III. Objectives

The present study has been conducted in organized retail formats in Delhi to accomplish following objectives:

- 1) To study shoppers' behaviour using smartphones
- 2) To suggest Retail marketing strategies.

IV. Research Methodology

The methodology involved is as follows:

A. Sampling Element

The study is carried out in Delhi. The shoppers visiting various types of organized retail formats are the targeted respondents. The individual & family visiting for purchase are considered as a sampling unit for the research work

B. Sampling Technique

The study involves non-Probability convenient sampling technique based on judgment of surveyor for the purpose of data collection. Due care is taken to ensure that the sample represents all demographic profiles of the population

C. Sample Size

A sample size of 150 respondents is selected from different organised retail formats.

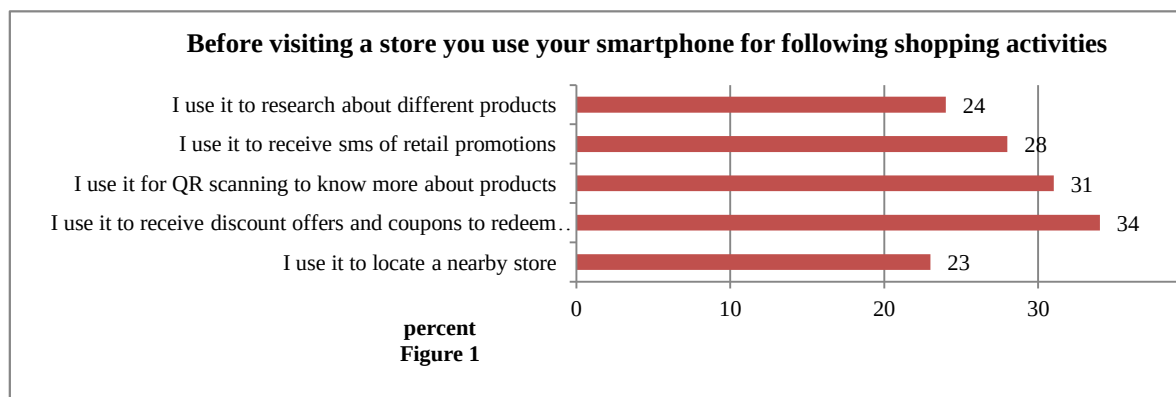
D. Data Source

Data is collected using both, Primary and Secondary sources. Primary data is collected using a structured questionnaire. Initially a pilot study is conducted to test the reliability, validity and sensitivity of the questionnaire and finally the data is collected by survey method whereby face to face interaction with the respondents are done.

V. Results and Findings

The finding are based on only the most frequent and frequent options chosen by shoppers.

Checking prices has always been core to shoppers' behaviour but smartphones have elevated both access and usage prior to store visits. Smartphone users track store information ,compare prices and source deals .When asked respondents about usage of smartphone for shopping activity before visiting a store majority , thirty four percent of the respondents use smartphone to receive discount offers and coupons to redeem them at store(Figure 1).Thirty one percent respondents use it for QR scanning to know more about products . Twenty eight percent use it receive SMS of retail promotions followed by twenty four percent using it to research about different products and twenty three percent using it to locate a nearby store(Figure 1).



When asked about behaviour with smartphone inside store majority of respondents use smartphone to access promotional coupons to redeem at store (twenty eight percent), check product reviews online (twenty seven percent) , scan barcode code to compare prices with other retailer (twenty seven percent) and product knowledge (twenty six percent). Price comparison was also accorded higher importance as twenty three percent use smartphone to check prices on retailers' mobile site and twenty two percent for checking competitive pricing online (Figure 2).



Fifteen percent respondents further search for information on retailer's website while inside store. Few respondents, eleven percent make an online purchase at other retailer having had entire information inside the store. Usage of smartphone for making payment was accorded least importance (Figure 2).

VI. Retail Marketing Strategies

Based on the finding retailers may incorporate following in their marketing strategies:

- 1) Retailers must think beyond traditional and incorporate mobile commerce to capture shoppers.
- 2) Retailers must deliver a comprehensive online shopper experience well supported by core elements like search functionality, sufficient product information and imagery
- 3) Retailers must localize their marketing efforts by connecting shoppers to the retail outlets, introducing coupons and discounts.
- 4) Price comparison must be facilitated by providing enough information online and otherwise as customer checks for fair pricing
- 5) Reviews must be integrated into the shopping experience fostering an onsite shopper community

VII. Conclusion

The changing shopping behaviour has shifted the balance of power from the manufacturer to the retailer and is now moving towards the shopper. As a result, both manufacturers and retailers stand to benefit by better understanding how people shop and what really impacts their behaviour at the shelf. The changing technological environment has further changed the entire picture. Consumers are using Smartphones to scan product information, compare prices, receive coupons and other promotions, check reviews thus retailers need to develop their strategies accordingly in order to engage and generate more revenues

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