Chapter 31 Two Faces of Mobile Shopping: Self-Efficacy and Impulsivity

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ABSTRACT

This study examines the positive and negative effects of mobile shopping. It identifies and tests the antecedents and consequences of self-efficacy and impulse buying that result from mobile shopping. The results reveal that perceived convenience, perceived ease of response, and perceived control significantly affect self-efficacy and impulse buying. In addition, the results demonstrate that significant relationships exist between self-efficacy and satisfaction, and impulse buying and regret. Further, the study identifies significant moderating effects of consumer knowledge on casual relationships that exist between some variables. Based on these results, this paper provides a discussion of the implications of this research and offers suggestions for further research.

INTRODUCTION

The use of smartphones for mobile shopping has become increasingly popular and has caused revolutionary changes in consumer behaviors. Consumers can easily find and cheaply purchase products and services by engaging in mobile shopping. According to the Korea Internet Promotion Agency (2012), 47% of smartphone users in South Korea engage in mobile shopping and 35% engage in mobile shopping more than once a week. In 2012, South Koreans spent an estimated US\$ 1 billion while mobile shopping. ABI Research (February 2010) predicted that shopping via mobile Web (i.e., m-commerce) will reach US\$119 billion globally in 2015. This figure would amount to approximately 8% of the total e-commerce market. According to a recent study by IDATE (July 2012), m-commerce in Japan and

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South Korea has by far the biggest share of e-commerce sales, 17% equally in 2012, due to the maturity of the mobile Internet in these two countries. U.S. mobile commerce sales hit \$24.66 billion, accounting for 11% of U.S. e-commerce sales in 2012 and they will represent 21% of e-commerce sales in 2015, eMarketer predicts (Siwicki, 2013).

Mobile commerce includes mobile media and content, retail, travel, coupons/deals, and services. According to Shop.org/Forrester Research (May 2011), 91% of US online retailers have instituted or have begun development of mobile strategies. More specifically, 48% of surveyed US retailers employed mobile-optimized websites; 35% deployed iPhone apps; 15% deployed Android apps; and 15% deployed iPad apps.

Mobile shopping has many benefits and advantages. The most useful mobile shopping applications collect product data from several retailers. They sort collected data to allow consumers to perform side-by-side comparisons of different merchants' prices so they can find the best deals (Johnson, 2011). Mobile shopping performed with these apps is considered convenient because mobile notifications automatically deliver promotion information. Another benefit is derived from a price-comparison app that employs bar code or QR (Quick Response) code scanning to help consumers during in-store shopping. Immediate gratification is another benefit provided for mobile shoppers because digital products can be delivered wirelessly to their phones (Murphy & Meeker, 2011).

Consumer welfare, often measured by surplus, increases when there is expansion in product variety (Cachon, Terwiesch, & Xu, 2008) or reduction in the costs of buying (Ratchford, 1982). Brynjolfsson, Hu, & Smith (2003) present how increased product variety through electronic markets enhances consumer surplus and welfare. Increased consumer intelligence combined with product varieties of online shopping improves consumer welfare (Kulviwat, Cuo, & Engchanil, 2004). While considering the advantages of mobile shopping apps, they are faster to use and simpler than websites. Thus, we believe that consumers will feel more self-efficacy and have welfare gains through mobile shopping.

On the other hand, in all likelihood, mobile shopping will increase impulse buying. According to Rackspace Hosting (2012), 17% of surveyed UK consumers who owned smartphones and/or tablets stated that ownership of mobile devices had increased their impulse purchasing. Of these surveyed consumers, 71% suggested that the primary reason for increased spending was the simplicity of the purchase process and the ease of technology use. Mobile shopping's quick responsiveness and convenience cause consumers to be more impulsive (Schwartz, 2012).

Impulse buying can also lead to buyer's regret after shopping (Dittmar & Drury, 2000; Tom, 2006), which can lead to decreased consumer welfare. Thus, it is apparent that mobile shopping can cause the negative results of impulse buying and buyer's regret.

Many studies on mobile shopping have primarily focused on the adoption of mobile commerce (e.g., Chong, Chan, & Ooi, 2012; Ko, Kim, & Lee, 2009; Wu & Wang, 2006) or post-purchase experiences (e.g., Karaatli, Ma, & Suntornpithug, 2010; Tojib & Tsarenko, 2012). However, only a limited amount of research has examined the positive and negative results of the mobile shopping environment.

Therefore, this study will examine a comprehensive model that includes both positive and negative results drawn from the characteristics of mobile commerce service. Based on our model, we will develop and confirm whether characteristics of mobile commerce service affect the positive results of self-efficacy and satisfaction or the negative results of impulse buying and regret. Thus, the purpose of this study is to illustrate the two faces of mobile shopping.

In addition, this study will examine the moderating variable of consumer knowledge. Consumer knowledge is one of several important concepts related to consumer information processing (Sujan,

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