Chapter 5.8
Effects of Consumer–Perceived Convenience on Shopping Intention in Mobile Commerce: An Empirical Study

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ABSTRACT

Wireless communication and Internet services are converging to provide an unprecedented level of convenience for online shopping. Although the concept of consumer-perceived convenience has been extensively discussed in marketing and consumer behavior literature, there still is a lack of empirical validation in the context of mobile commerce. This study was conducted to examine the effect of convenience on customers’ intention of shopping via their mobile communication devices. The primary data collected from college students in Taiwan were analyzed to examine the relationship between perceived convenience and shopping intention. The result shows a significant relationship between the two variables, and a positive effect of convenience perception on shopping intention. The findings have practical implications for mobile commerce strategists by providing more understanding of the mobile commerce success factors from a consumer behavior point of view.

INTRODUCTION

The convergence of the Internet and wireless communications has led to the development of an emerging market for mobile e-commerce, or m-commerce. As the business impact of e-commerce can be witnessed in almost every facet of the business arena, the advancement of wireless Internet access capabilities is adding to the flexibility of the online shopping process (Haskin, 1999). Specifically, Web-enabled wireless devices allow users to search, communicate, and purchase products and services from anywhere at any time. These convenient features are welcomed by today’s busy customers and are helping to make
e-commerce grow even further.

Wireless communications technology has received much attention in both voice and data communication markets. A marketing research firm called iSuppli predicts that the global wireless market will increase from the $520 million of 2004 to $430 million by 2010 (Focus on Internet News and Data, 2006). Telecom trends estimates estimates that almost 100 million people are m-commerce users today, and their numbers are expected to double in the near future (Fitchard, 2004). Lewis (1999) predicts that, as the average cost of wireless usage will drop substantially in the next several years, wireless Internet devices will outnumber wired devices. Wireless business forecast (2005) predicts that U.S. wireless customers will expand from the current 175 million to 200 million by 2008. Portio Research, a British research firm, estimates that a half of the world population will become mobile phone users by the year 2009 (Wu, 2006). China currently adds 3 million to 4 million cellular phone users each month. By the end of January 2006, its cellular phone population has reached 400 million, the largest in the world (Focus on Internet News and Data, 2006).

Although these specific forecast numbers don’t match, as is typical with other types of forecasts, it appears clear that, as wireless technologies and standards for security, bandwidth, and interoperability continue to advance, the impact of online shopping via wireless communication devices is bound to become a crucial issue for information system professionals as they strive to support their organizations’ marketing and strategic initiatives.

Most of the existing literature on mobile commerce developments are anecdotal reports that center on either technological advancement (e.g., Olla, Atkinson, & Gandccha, 2003) or business activities of technological service providers. Systematic empirical investigation into major aspects of m-commerce development to support theory building in this field is relatively limited. This problem was pointed out by Clarke (2001), saying "Despite tremendous interest in the melioration of m-commerce, there is little, if any, research that examines how to develop a comprehensive consumer-oriented mobile e-commerce strategy (p. 134).” In attempting to furnish a theoretical basis for academic research, Clarke (2001) proposed four value propositions for m-commerce applications: ubiquity, convenience, localization, and personalization. Zhang, Yuan, and Archer (2002) also suggested three driving forces to account for m-commerce success: technology innovation, evolution of a new value chain, and active customer demand.

Two related themes stand out in these researches regarding m-commerce: the importance of integrated business strategies that truly accommodate the unique features of mobile communication devices, mobile phone users and the significance of consumer-perceived convenience provided by the mobile devices.

The concept of service or product convenience as a research construct has primarily been discussed in the marketing and consumer behavior literature (for example, Berry, Seiders, & Gre-wal, 2002; Brown, 1990; Gross & Sheth, 1989; Ng-Kruelle, Swatman, Rebm, & Hampe, 2002; Seiders, Berry, & Gresham, 2000). Although mostly conceptual and speculative in nature, the literature on the significance of convenience consistently argues for the positive impact of product and service convenience on customers’ shopping and the satisfaction resulted from the use experience (Brown, 1989; Berry et al., 2002; Litan & Rivel, 2001). Little research has been reported, however, about the effort that empirically investigates the impact of service or product convenience on various aspects of customer behaviors, such as shopping intention. The need for research regarding the significance of convenience that is conducted in the context of m-commerce is especially important, given the unique features and appeals of wireless communication products and services. The primary purpose of this study is to help bridge this gap by investigating the perception of cellular phone users concerning