

Shoppers rely on mobile devices and apps to find best deals, but few use devices to purchase products: study

September 14 2012

With back-to-school season in full swing, tech-savvy consumers are using their smart phones and apps to find the best bargains. Many shoppers, however, are still reluctant to make those purchases using their mobile devices, according to a new report by Ryerson University's Centre for the Study of Commercial Activity (CSCA).

"We're seeing more retailers releasing <u>mobile apps</u> for consumers to purchase from their smart phones or help them make an informed decision before buying a product, so we're interested in finding out how effective they really are," says Andrew Murray, a GIS analyst at CSCA and a co-author of the report.

Murray and his co-author Tony Hernandez, director of CSCA, conducted an <u>online survey</u> in April of 836 full- and part-time <u>students</u> aged 18 to 25 at Ryerson University's Ted Rogers School of Management.

The researchers asked the students about the type of device they own; the number of apps, especially shopping-related, they download each week, month and year; types of shopping activities they do with their mobile device (buying a product, looking up store hours, reading product reviews); and their attitudes towards using mobile devices to shop.

Murray and Hernandez also looked at barriers these consumers may face



when using their mobile device to buy a product (i.e. concerns over security of <u>personal banking</u> information, costly data plan fees).

The researchers found that the majority of students own a smart phone (91%), with the remainder owning tablets and cell phones. Two-thirds of the students surveyed use their mobile device to look up information about retailers or products, yet only one-third made purchases with their smart phone. The most common purchases made on mobile devices were music/video (32%), video games (24%), books (19%) and fashion (19%).

Most students used their mobile device to look up store hours (62%), find a store location (59%), search for product information (55%) and compare product pricing (40%). The least common activities were providing feedback on a product (5%), redeeming gift cards (6%) and receiving product promotions based on current location (7%).

Other key findings of Murray and Hernandez's research include:

- Most students surveyed prefer to shop in physical store locations as opposed to online;
- Nearly 70 per cent of students prefer to view a product in-store before purchasing it online;
- About one third of the respondents would like to see more retailers provide staff with mobile devices to better serve the customer.

"These findings are telling us that consumers haven't fully embraced the mobile online shopping experience for retail transactions," says Hernandez. "However they are using their <u>smart phones</u> and tablets as a primary source of information while shopping before they make purchase a product or service."



The researchers also predict more consumers will choose to purchase a broader range of products and services using their <u>mobile devices</u> and download more retail apps, a trend that their findings uncovered as well. Just over 40 per cent of students in the survey see themselves making a purchase with their device and 58 per cent plan to download more retail apps within the next year.

"In today's competitive marketplace and changing digital retail landscape, retailers have to keep their fingers on the pulse of consumers' purchasing behaviour, adds Murray. "That is the key to connecting with customers, nurturing brand loyalty and ultimately generating more sales."

The report, "Retail in the Digital Age: The Mobile Shopping Companion," was published by the Centre for the Study of Commercial Activity.

Provided by Ryerson University

Citation: Shoppers rely on mobile devices and apps to find best deals, but few use devices to purchase products: study (2012, September 14) retrieved 6 May 2024 from https://phys.org/news/2012-09-shoppers-mobile-devices-apps-products.html

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