

To study the factors responsible for low level of adoption of M-Commerce in Generation X (Age 38 to 53)

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ABSTRACT

As the scenario of today's smartphone penetration and adoption in our country. We all can feel that business through e-commerce and m-commerce will defiantly earns maximum revenue for companies in near future. Along with that it is observed that Generation X is comfortable in adopting social media through mobile but they are still hesitate to adopt M-commerce. And study found that there are reasons like language barrier and Physical touch plays huge role in less adoption of M-Commerce. Along with that education and traditional approach towards shopping is restricting them to not to use M-Commerce. In surat city the research was carried and responses were collected from Generation X. Although research creates scope for study to find more factors and variables to be analyse to check the effect on less adoption of M-Commerce.

KEYWORDS

M-Commerce, Generation X, Less adoption of M-commerce.

I. INTRODUCTION

In recent years, the emergence of smart phones has changed the definition of mobile phones. Phone is no longer just a communication tool, but also an essential part of the people's communication and daily life. Various applications added unlimited fun for people's lives. It is certain that the future of the network will be the mobile terminal.

Now a day it is found that generation X age between 38-53 is adopting the revaluation in tele-communication and switching their preference for mobile phones and using smart phones. Generation X terminology typically use birth years ranging from the early-to-mid 1960s to the early 1980s. Along with internet penetration and low tariff plans has played major role in adoption of smartphones. Nonetheless, business and trade application and portal is not getting the same response from generation X which social media application is getting traffic from the particular age group. Which draw the attention to find out the reasons for less adoption of M-Commerce in generation X.?

Scope of M-commerce encompasses almost every walk of life like the field of content, entertainment, travel; banking and marketing. (Gupta et al. 2016) categorise M-commerce applications in two parts:

- Content Delivery: It includes consultation, notification, order confirmation, feedback and trackers
- Transactions: it includes purchasing, making payments, checkouts, data entry & maintenance.

M-Commerce is online anywhere, anytime and on any device and is providing new business opportunities. Smartphone penetration in India will increase from 8% by end of 2014 to more than 21% in 2017 ensuring that large population is commerce ready" says K.Gupta, analyst, e-business & Channel strategy, Forrester researcher. Today there are about 44 million users of smart phone in India whose rate are growing at 150% per year.

The background of mobile-commerce

There is no such universally accepted definition of M-Commerce but a common conceptualisation is that it is any direct or indirect transaction that has potential monetary value and is conducted through wireless telecommunication networks (AlHinai et al. 2007:201–202; Wu & Wang 2005:720). Phillips (2003:11) defines m-commerce as being the buying and selling of goods and services using wireless handheld devices such as mobile phones and personal digital assistants (PDAs).

Gupta et al. 2016 has precisely elaborates the Features of M-commerce

- Mobility: Users can carry their smart phones or other compatible devices such as Tablets, PDA, etc easily and can perform the different M-commerce functions.
- Ubiquity: Information can be accessed easily and in a real-time environment.
- Varied users: M-commerce has varied users from elementary school students to Grandpas, at varied locations.
- Ambidextrous: People uses M-commerce for work & Play i.e. for Business purpose and for personal fun.
- Willingness: People are willing to pay for mobile services.

II. LITERATURE REVIEW

Gupta et al. 2016 has coined major obstacles for the overall less adoption of M-commerce are Usability problem and language barrier, Technical limitations and low internet connectivity, Security Issues, Internet Infrastructure.

Moorthy et al. 2017 found that there is influence of factors like_ on less adoption of M-Commerce in consumer along with that cost is not playing major role in framing negative influence of their in less adoption of M-Commerce. However the study also determines that there is no difference between the mobile commerce users and non-users in the adoption intention among the Generation X in Malaysia. And correspondingly they found that tradition plays major role in creating barrier for users to use M-Commerce.

NobukhosiDlodlo, Chengedzai2013 Mafini2M-Commerce consumer is at nascent stage. Generation Y is having positive association between m-commerce acceptance and the frequency of use of m-commerce technologies. Frequency of use of m-commerce technologies amongst Generation Y individuals and groups increases when each of the five m-commerce acceptance dimensions, namely, (1) m-commerce applications, (2) subjective norms, (3) perceived ease of use, (4) perceived usefulness and (5) perceived enjoyment increases.

Gupta & Vyas 2014 M-commerce is complex to adapt for Indians as it is at emerging level in India. Now Indian users have started using M-commerce for web access, surfing & a few times shopping. They have also focused on how M-commerce has evolved & developing in India along with some benefits & drawback of M-commerce in India.

Gupta et al. 2016 has defined Problems & Issues in M-commerce in India which is still in still in experimentation stage for growth of M-commerce. They had defined reasons for not adopting M-Commerce are 1) Lack of Awareness & Personal Touch 2) Usability problem and language barrier 3) Technical limitations and low internet connectivity 4) Security Issues 5) Internet Infrastructure.

Deshmukh et al. 2013has tried to explain and justify that `Is India moving from E-commerce to M-commerce? Researcher provides necessary inputs for the potential for E-Commerce and M-Commerce reviewing its current status in India and considering the online users and their usage behaviour.

Niranjanamurthy and Chahar, 2012 has focused on authenticity and trust on mobile payments and behaviour of users towards mobile transaction. Also emphasised on few challenges faced in Indian market structure and suggested recommended payment methods like C-2-C transaction, Card security and flexibility should be improved in order to push M-Commerce transaction and adoption in India.

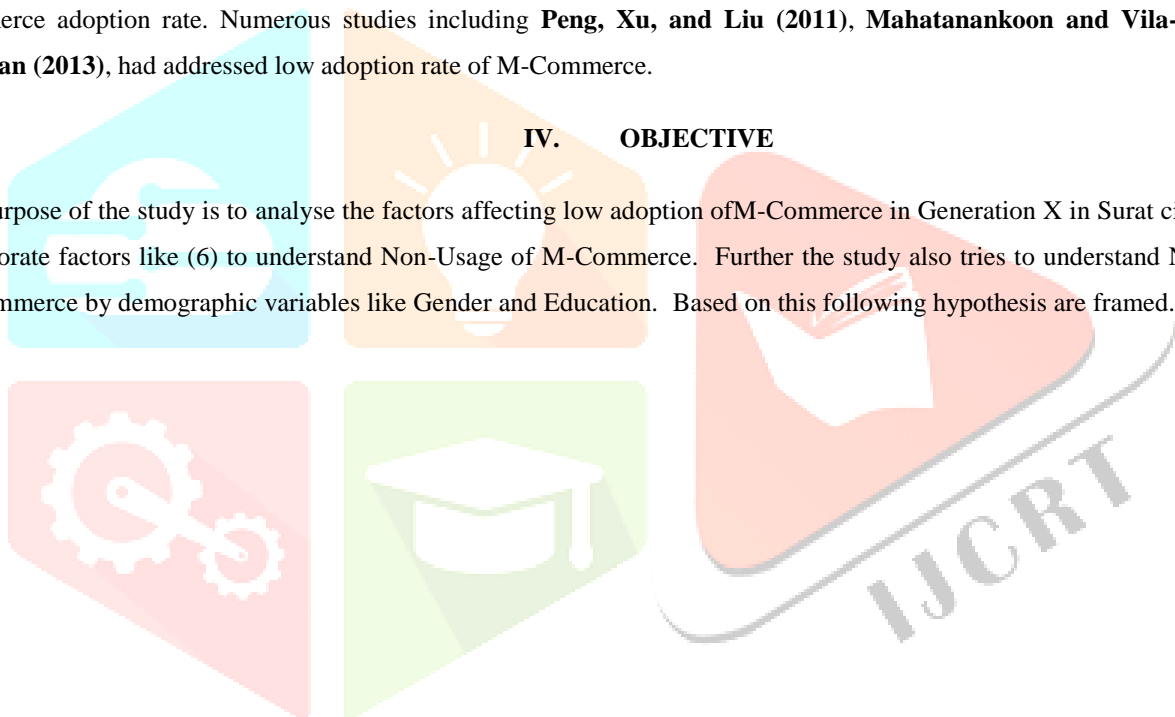
Batra and Juneja 2013 had worked on growth of M-Commerce and emerging trend of m-Commerce along with challenges faced by industry like data transmission rate, internet infrastructure, security, privacy, along with it is found out that till now smart phones were widely used for entertainment and gaming purpose only real use of M-commerce is in its early stage.

III. PROBLEM STATEMENT

The number of Internet users is overtaken by the number of mobile phone subscribers. M-Commerce has attracted considerable traffic and many telecommunication companies after realizing the potentials of M-Commerce, have invested considerably in developing M-Commerce. Generation X is significantly adopting Smartphones and internet infrastructure has played major role in adoption of that. But it has been found that Mobile phone has huge penetration rate but lower amount of penetration in M-Commerce adoption rate. Numerous studies including **Peng, Xu, and Liu (2011)**, **Mahatanankoon and Vila-Ruiz (2007)**, **Rahman (2013)**, had addressed low adoption rate of M-Commerce.

IV. OBJECTIVE

The purpose of the study is to analyse the factors affecting low adoption of M-Commerce in Generation X in Surat city. The study incorporates factors like (6) to understand Non-Usage of M-Commerce. Further the study also tries to understand Non-Usage of M-Commerce by demographic variables like Gender and Education. Based on this following hypothesis are framed.



V. HYPOTHESIS

H0₁: Lack of Awareness and Physical Touch influence the use of M-Commerce

H0₂: Usability problem and language barrier influence the use of M-Commerce

H0₃: Usage Intention influence the use of M-Commerce

H0₄: Value influence the use of M-Commerce

H0₅: Traditional barrier influence the use of M-Commerce

H0₆: Perceived Cost influence the use of M-Commerce

H0₇: Education has impact on adoption of M-Commerce

VI. METHODOLOGY

Data Collection is done through convenience sampling from Surat city from 207 respondents. In the survey, the research instrument (questionnaire) was divided into two sections, with Section A eliciting general information pertaining to the respondents' profile and smart phone penetration. The questions in Sections Were anchored on a 5-point Likert scale which ranged from 1 (Strongly disagree) to 5 (Strongly agree). These sections measured the constructs of Lack of Awareness and Physical Touch, Usability problem and language barrier and Usage Intention, Traditional, Value as well as Perceived Cost.

VII. RESULTS

Demographic profile of responded:

Total 216 Responses qualified for the final analysis (Table 1). Study Comprises 76 Female and 140 Male respondents belong to age between 36 to 55 years. Out of total respondents, 94 were belongs to self-employed and 71 were salaried category. Majority of respondents have income of Rs.10,000 to 50,000 per month.

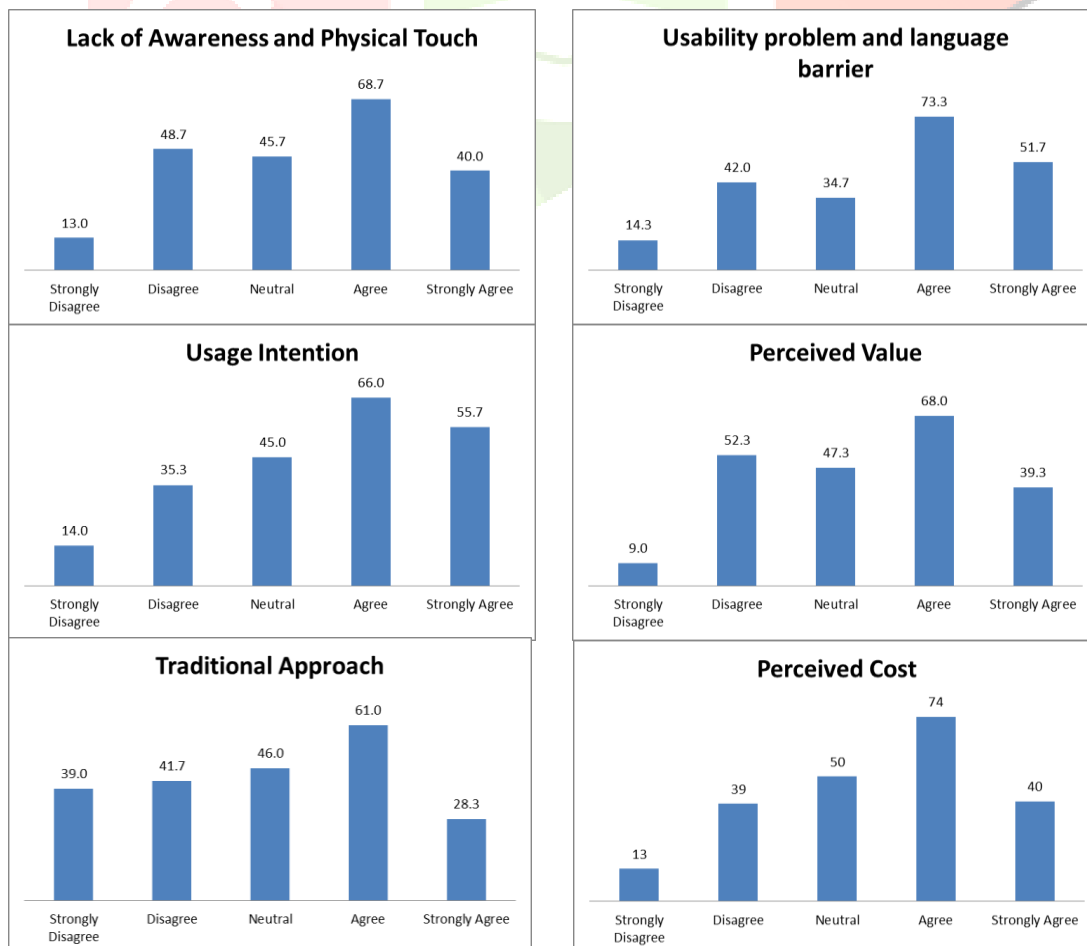
Demographic Profile		Gender		Total
		Male	Female	
Age	35-45	84	47	216
	46-55	56	29	
Occupation	Self-employed	55	39	
	Salaried	63	8	
	Student	22	0	
	House Wife	0	29	
Education	Master Degree	26	53	
	Bechlar Degree	47	14	
	Diplom	0	0	
	High School or Lower	67	9	
Income	Student / Unemployed	0	3	
	< 10,000	10	41	
	10,000 - 24,999	39	24	
	25,000 - 49,999	33	6	
	50,000 - 74,999	29	1	
	75,000 - 99,999	12	0	
	1,00,000 - 1,49,999	6	0	
	> 1,50,000	11	1	
Total		140	76	
Source: Primary Data				

Sr No	Statement	Mean	
1	I have smart phone but I am not aware about M-commerce applications availability	3.70	
2	M-Commerce don't provide personal touch that resist me to adopt M-commerce	3.63	3.51
3	I don't prefer M-commerce as return policy is not clear to me.	3.20	
4	My device storage capacity don't allow me to have M-Commerce Applications	3.55	
5	I am not compatible with small size keyboard while making purchase and payments	3.50	3.49
6	M-Commerce application don't gives instructions in regional language	3.43	
7	I am not using M-Commerce because of 3G/4G Internet connectivity	3.88	
8	I am not using M-Commerce applications beca use they tend to be slow while purchase which is tedious task	3.29	3.46
9	I face difficulty in navigation while making purchase	3.21	
10	M-Commerce purchase is costly	3.40	
11	M-Commerce services does not offer any advantage when compared to other ways of handling financial matters	3.29	3.40
12	M-Commerce services do not increase the ability to control financial matters.	3.51	
13	I don't use M-Commerce because it makes me impatient.	3.22	
14	I prefer physical form of payment and delivery	3.21	3.2
15	I prefer face-to-face interaction with seller	3.08	
16	M-commerce requires high speed internet which costs more	3.54	
17	M-commerce expenses are burdens for users like me.	3.32	3.4
18	Total costs to perform transactions via M-commerce are more expensive than via other channels.	3.37	

Descriptive analysis:

The study identified six major factors for non-adoption of M-commerce (Chart 1). These six factors are measured in the scale of 5 where 1 is strongly disagreeing and 5 is strongly agree. The frequency distribution of these factors revealed that most of the responded were not using M-commerce because of usability problem and language barrier, Perceived cost and Usage Intention. Perceived Value Lack of Awareness and Physical Touch also plays role in non-adoption of M-Commerce. This is further supported by the weighted mean score of each factor under the study (Table 2).

Chart 1: Factor affecting non-adoption of M-commerce



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Reliability:

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items
0.962	0.962

The resulting α coefficient of reliability ranges from 0 to 1 in providing this overall assessment of a measure's reliability. Through the test it is found that questionnaire is reliable as it gives value $\alpha = 0.96$. Table 3 gives us the instrument accuracy and consistency reliability was tested and reliability indicator (α) was calculated for both overall measurement scales. Commonly used acceptable value for reliability test is

0.70. Table 3 show the result of reliability test, which is above the threshold level with descriptive statistic mean, standard deviation.

Table4: Kruskal-Wallis H test

A Kruskal-Wallis H test showed that in major cases there was a statistically significant difference in education and less adoption of M-Commerce in variable 2,3,4,5,9,10,11,12,13,14,15,17,18 and while for variable 1, 7, 8, 16 it is statistical insignificant.

Statements	Chi-Square	df	Asymp. Sig.	Decision
I have smart phone but I am not aware about M-commerce applications availability	1.023	2	0.6	Accept
M-Commerce don't provide personal touch that resist me to adopt M-commerce	17.145	2	0	Reject
I don't prefer M-commerce as return policy is not clear to me.	21.856	2	0	Reject
My device storage capacity don't allow me to have M-Commerce Applications	19.455	2	0	Reject
I am not compatible with small size key-board while making purchase and payments	13.355	2	0.001	Reject
M-Commerce application don't gives instructions in regional language	8.936	2	0.011	Reject
I am not using M-Commerce because of 3G/4G Internet connectivity	0.14	2	0.933	Accept
I am not using M-Commerce applications because they tend to be slow while purchase which is tedious task	5.887	2	0.053	Accept
I face difficulty in navigation while making purchase	6.687	2	0.035	Reject
M-Commerce purchase is costly	14.254	2	0.001	Reject
M-Commerce services does not offer any advantage when compared to other ways of handling financial matters	10.149	2	0.006	Reject
M-Commerce services do not increase the ability to control financial matters.	8.783	2	0.013	Reject
I don't use M-Commerce because it makes me impatient.	15.878	2	0	Reject
I prefer physical form of payment and delivery	18.457	2	0	Reject
I prefer face-to-face interaction with seller	15.605	2	0	Reject
M-commerce requires high speed internet which costs more	4.949	2	0.084	Accept
M-commerce expenses are burdens for users like me.	17.949	2	0	Reject
Total costs to perform transactions via M-commerce are more expensive than via other channels.	26.705	2	0	Reject

VIII. LIMITATION

Regardless of efforts of researcher to reduce methodological incontinency pertaining to study. Firstly, the research was conducted in Surat region only which limits generalizability of the findings to other settings and contexts. This creates the scope for future study or cross sectional study in different geographic locations. Secondly the study used a convenience-sampling technique, which is subjectto sampling bias. Lastly the study was conducted on Generation X only which also creates barrier to generalize

the technology acceptance reasons and rejection criteria, along with that study was based on six variables only which creates further scope for researcher.

IX. CONCLUSION

The study found that internet connectivity and transaction failure is playing major role in less adoption of M-commerce. Significantly trust and privacy is also resisting generation X in adoption of M-Commerce and they tend to purchase and shop through traditional method of buying and transaction only to be on safer side. The study has found that education has no significant effect on less adoption of M-Commerce. Mean value of variable signifies that each variable has impact on less adoption on M-Commerce but it has not that significant result which yet again provides scope for future study.

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