

Generation Y and Mobile Marketing in India

R**Varsha Jain***Mudra Institute of Communications, India***Subhadip Roy***Indian Institute of Management Udaipur, India*

INTRODUCTION

Mobile phones in the global market have penetrated deeply as it was 74.9% in 2010 and it is forecasted that by 2020 it would increase to 100.6% (Blog.euromonitor.com, 2011). The global mobile subscribers were 6.8 billion which resembles the entire population of the world in 2013. Mobile has also disrupted the brands and products in the business world as time spent on mobiles are more than the television (Gupta, 2014). It was identified that almost half of the subscribers are from the Asia-Pacific countries (ITU, 2013) and by 2015 this region would have highest number of mobile users (Hodgson, 2010). In Asia Pacific nations emerging economies such as India has observed an 8% increase in the mobile subscribers in 2013 which signifies that it has 1.2 trillion users (Gartner.com, 2013). Indian market has 2.5 times more consumer base than the US (Wee, 2011). It means that India is second largest mobile market in the world. Mobile users are also growing by 20 million subscribers on monthly basis (Mukherji, 2011). In India mobile phones are used by urban and rural consumers (Portal.euromonitor.com, 2010). Interestingly, there is dramatic increase in the smart phone users in India as there are 40 million subscribers who are below 25 years of age (Nielsen Informate Mobile Insights, 2011).

Moreover, 50% of Indian population belongs to this age group (Census of India, 2011) who are known as Generation Y as they are born after 1980 (Weingarten, 2009).

This segment undertakes all the day-to-day activities on their mobile phones. They collect information, educate and entertain themselves ("Euromonitor International," 2012) interact with their friends and extensively use social media and other value added services. Generation Y is enthusiastic, tech-savvy, and independent but has very less attention span (Jain & Pant, 2012). They have good income level (Holley, 2008) and nice spending power (Xu, 2007; Jain & Pant, 2012). This segment has moved drastically from the traditional media platforms to digital medium. They use different dimensions of mobile phones such as Bluetooth, multimedia messaging, SMS, QR codes and apps (Narang, Jain & Roy, 2012).

In India the price of smart phones decreased and it had a direct impact on the usage pattern. Consumers bought smart phones and started using apps on their mobile phones due to their excitement and curiosity (Jain & Pant, 2012). This change gave multiple opportunities for the marketers to utilize mobile media and leverage it for their brands and product categories. It is critical to comprehend their behavioral and usage pattern on multiple medium to develop effective strategies.

This article primarily focuses on Generation Y, in-app advertising and branded apps. However, the basic domains of mobile marketing are also discussed in the subsequent sections.

SCHOLARS

This is an emerging area of research and it was difficult to draft the list of scholars. However, we referred to the leading journals from Academy of Marketing Science (AMS) as it is renowned and established marketing forum in the world. We retrieve the list of scholars from <http://www.ams-web.org/?10>. We searched recently published papers and figured out experts in this area.

Robert Steuernagel (Steuernagel, R., 1993) at The Strategis Group, Inc. is pioneering scholar of this field with his book titled *Cellular Marketing* in 1993.

Shintaro Okazaki (Okazaki, S., 2012) at Autonomous University of Madrid, Roman Friedrich (Friedrich, R., 2013) at Booz & Co./Stockholm, Florian Gröne (Gröne, F., 2013) at Booz & Co./Berlin, Klaus Hölbling (Hölbling, K., 2013) at Booz & Co./Vienna and Michael Peterson (Peterson, M., 2013) at Booz & Co./Munich are leading experts in this area.

CHARACTERISTICS OF GENERATION Y

Millennial or Generation Y believes in team work, 'cool concept', watch less TV, ethnically diverse, attracted towards new technology (Oblinger, 2003), different learning styles, experiential learning, goal drive, positive attitude (Rainey, 2002). They "love adventure and expect immediate gratification" (Cortes, 2004). They also feel that computer is not technology as it is part of their life and internet is better than TV as it is more interactive and facilitates socializing. They feel that 'reality is not real' as on digital platforms anything can be developed. Performing the task

is more important than acquiring the knowledge and multitasking needs to be embedded in the life. Generation Y wants to get connected with the world via digital devices is critical and there is 'zero tolerance for delay' (Oblinger, 2003). Generation Y is a lucrative segment for mobile marketing as they have high disposable income (Holley, 2008) and spending power (Jain & Pant, 2012). They do multi tasking using several media platforms as they are tech-savvy. Interestingly, their personality traits can be predicted by the use of technology (Kofman & Eckler, 2005). They even use several media platforms such as laptops, social media, mobile phones, instant messaging for effective interactions. Technology has become part of their daily life (Oblinger, 2003; Weingarten, 2009). Moreover, Generation Y in India is excited about the innovative, involving and personalized messages which they receive on their mobile phone (Jain & Pant, 2012). This segment perceives that mobile phones reflect their personality traits so they use different media platforms and value added services extensively to portray their individual dimensions (Pant & Jain, 2012). They would also like to control the frequency and content of the messages. They like to do experiments and adventures and are flexible for new brands and product categories as they even have high purchasing power (Jurisic & Azevedo, 2011). Additionally, Viswanathan and Jain (2013) found that Indian Generation Y makes impulsive decisions. Friends have a major influence in their decision making process as they have 'product experts' in their circle who guide them about different brands and features according to their interest and expertise. Social or digital media also play an important role in affecting the decisions as they carry out all the activities on these platforms. This generation has short term vision as they plan primarily for a week to two months.

Interestingly, older adults or old Generation Y have distinctive traits and have experience marketing activities in their life. This segment is born from 1980 to 1990 and has high purchasing power and good future buying decisions which

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