CHAPTER I

INTRODUCTION

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1.1 Research Backgrounds

The technology development especially the mobile devices through the years, make our current mobile devices not only serve the call and text purpose. They bring more connectivity and accessibility in the users' daily life to interact and handle with more things such as like surf the web, buy something or doing business and more. Because the power of nowadays mobile devices, people cannot be separated from their mobile device. They bring it to wherever they are and use it whenever they wants. The mobile device already become the primary needs in this era and no one can deny it.

These phenomenon created the new marketing channel and opportunity to marketers to connect with the consumer and potential consumer more intimate. Which is mobile marketing. According to Cengiz and Tetik (2010) mobile marketing refers to marketing activities that deliver advertisements to mobile devices using a wireless network and mobile advertising solutions to promote the sales of goods and services, or to build brand awareness (Yunos and Gao, 2002, cited in Yousif, 2012). One of mobile marketing implementation is mobile coupons. Where the company send their current sales promotional tools in form of coupon through mobile device channel to present their coupon in the palm of consumers' hand. Mobile coupon is preferable for marketer and consumers because its overcome the constraints of paper-based coupon such as need to sort out, print, and carry coupon when consumers want to redeem them (Liu et al, 2014).

Mobile coupon can take various formats such as texts, pictures, videos, or barcodes. Also, consumers can download applications to receive coupon from a specific retailer or from a number of retailers in the local area. Although mobile coupon can provide great convenience and value, Jayawardhena et al (2009) suggested that perceived risk, or the amount of trust consumers have with the mobile service providers can prevent usage of mobile coupon (cited from Im and Ha, 2012). Getting consumers to redeem mobile coupon goes beyond merely developing the coupon. It is of utmost importance for businesses to understand what drives consumers to accept mobile coupon.

The trend of mobile coupon are inevitable because its traits that cope with the current environment in term of technology usage. Therefore this study was conducted to give better understanding about the factors that influence consumers' intention to redeem mobile coupon with the focus of Yogyakarta college student.

1.2 Research Questions

 Does economic benefit influence consumers' positive attitude towards mobile coupon?

- 2. Does Convenience of the coupon influence consumers' positive attitude towards mobile coupon?
- 3. Does positive attitude towards mobile coupon influence consumers' intention of redeeming mobile coupon?
- 4. Does perceived control over receiving mobile coupon influence consumers' intention to redeem mobile coupon?
- Does social influence influence consumers' intention to redeem mobile coupon?

1.3 Research Objectives

- 1. To identify the influence of economic benefit on consumer positive attitude towards mobile coupon.
- To identify the influence of Convenience of the coupon on consumers' positive attitude towards mobile coupon.
- To identify the influence of positive attitude towards mobile coupon on consumers' intention of redeeming mobile coupon.
- 4. To identify the influence of Perceived control over receiving mobile coupon on consumers' intention to redeem mobile coupon.
- 5. To identify the influence of Social influence on consumers' intention to redeem mobile coupon.

1.4 Research Scopes

This study was a modified replication of previous study from achadinha et al, (2014). with title of "The drivers of consumers' intention to redeem a mobile coupon". there are some different varriable used in this study which is different example of mobile coupon used in questionnaire and the location also respondents focus of the study also different from the previous study.

1.5 Benefits of Research

This study would give benefits to both managerial and academic field. With the following benefits:

1. Academic Benefits

This study would serve as the guidance and references for academicians that wish to understand about the concept and/or conduct further research about the related topic.

2. Managerial Benefits

The information from this study would provide the insight for a business that plan or already use mobile coupon strategy to understand about the factor that influence the Yogyakarta university student intention to redeem mobile coupon. By gaining these information they can create a better mobile coupon strategy that utilize the positive factor and avoid the negative factor for the purpose to increase the redeem rates.

1.6 Research Outline

This Study was divided into five chapters: with the following divisions.

Chapter 1: Introduction

This chapter describe the Research background, problem question, research objective, research scope, and research benefits.

Chapter 2: Literature Review

This chapter elaborates the theoretical background and previous studies about related topic, and hypothesis development.

Chapter 3: Research Methodology

This chapter explain the detailed methods and procedures

for data collection and analysis.

Chapter 4: Data Analysis

This chapter break down the data analysis result and the

interpretation of it.

Chapter 5: Conclusion and Managerial Implications

This chapter provide the conclusion, research limitation, managerial implication, and future research direction.