Conceptualizing Mobile Marketing: A Comprehensive Review of Research

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ABSTRACT:

This paper covers a review of the definition of mobile marketing, summarizing their characteristics compared to traditional marketing channels. Next, different approaches and research findings related to the acceptance and attitudes towards the mobile marketing are explored, as well as some of the most relevant theoretical approaches in this area. The relevant literature on the unique characteristics of mobile marketing communications and media planning is then reviewed. Five characteristics of mobile marketing communications are identified as key considerations for decision-making: Ubiquity, Immediacy, Location sensitivity, Personalization, and Consumer controlled interactivity. Finally, recommendations for marketing managers, as well as directions for future research will be presented.

Keywords: mobile advertising, mobile marketing, advertising strategy, promotions mix, Digital Marketing.

Introduction

What could be more attractive to marketers than a medium with the power to reach over eighty-two percent of all Americans wherever they are and most any hour of the day (Synovate, 2009)? Furthermore, what medium could claim that more than three quarters of messages sent are read by seventy-four percent of audience members, and of those, seventy seven percent read the messages as soon as they are received (Barwise and Strong, 2002)? Not only were they read, but sixty-nine percent of audience members recalled more than half of the brands that had been advertised (Barwise and Strong, 2002). These numbers represent the startling potential of mobile marketing communications. It is important then to study the mechanisms of adoption and use of mobile technologies, since unlike the desktop computer, and even the laptop, smartphones are considered as personal devices of private use, which suggests that consumers have different attitudes towards mobile services compared to traditional media (Park, Shenoy & Salvendy, 2008). According to these authors, television was the first screen that marketers relied on to provide information to consumers. Mobile marketing is a topic of growing interest and importance. While the evidence of mobile marketing effectiveness is still scarce, marketers around the world are spending increasing amounts of money on marketing activities in mobile media. This is due, in large part, to the fact that companies are seeking ways to get better value for their marketing investments in rapidly changing marketing communications environment. Mass markets have fragmented, and therefore impersonal mass communication, especially media advertising, has become less effective whereas targeted one-to-one marketing communications have become more important (e.g. Webster 1992; Peppers et al. 1999; Shaw et al. 2001). After that, the internet appeared as a second screen through which it was tried to satisfy this need. The rise of e-commerce facilitated the emergence of a third screen, mobile marketing, which now allows users to access an almost unlimited amount of information on brands at any time and place through mobile devices. However, in spite of the advantages that mobile communication offers to companies, the aspect related to the

confidence that consumers show to these tactics can become a factor against for the creation of loyalty and the development of services in this digital context

Literature review:

Mobile marketing. There is considerable disagreement as to how willing consumers are to receive marketing communications via their mobile devices. The study in the opening example (Barwise and Strong, 2002) found evidence that mobile could be an extremely effective way of reaching consumers and that their response could be quite positive to marketers' text messages. Their study looked at consumers in the UK who were given an incentive to participate in the study ($7 each) and were compensated (7 cents) per text message received, up to three messages per day. This is substantiated by studies reviewed by Lewis (2001) that found US consumers were receptive to mobile advertising if it offset the cost of other mobile services such as e-mail and news services. A common finding is that the prerequisite for consumer acceptance of this medium is consumer control and permission (Carroll, Barnes, Scornavacca, and Fletcher, 2007; Peters, Amato, and Hollenbeck, 2007; Tsang, Ho, and Liang, 2004). Analysis of databases of actual consumer responses to SMS direct marketing campaigns related to. On the other hand, surveys of consumer attitudes reveal conflicting information. Using a variety of scenarios, Carroll, Barnes, Scornavacca and Fletcher (2007) found that over fifty percent of respondents rated most forms of mobile marketing communications as "unacceptable". Similarly, according to surveys conducted by Forrester Research and eMarketer.com (2007), 79% of US consumers find the idea of mobile ads annoying, and only 3% say they trust text ads on mobile phones. However, Forrester's analysis of campaigns that delivered valuable information or content found consumers receptive. Unfortunately, there are few such campaigns reaching consumers. According to M:Metrics (2007) only about 7% of US mobile phone users have responded to short message code advertising, and only 2.5% have participated in games or contests.

Methodology:

A documentary research is presented, in which the main approaches of recent scientific literature have been compiled, analyzed and synthesized to achieve an approach to the conceptualization and characterization of mobile marketing. For this purpose, different bibliographic sources have been consulted, mainly from publications specialized in the subjects of digital communication and new technologies. These searches are mainly performed via Scopus, one of the main databases of indexed publications relevant to the present topic of study.

Conceptualization of Mobile Marketing

Conceptualization of Mobile Marketing Although there is a significant amount of literature on mobile marketing, still it has not been consolidated agreement on its definition (Varnali & Toker, 2010; Leppäniemi, Sinisalo, & Karjaluoto, 2006). The Mobile Marketing Association (MMA, 2008) defines mobile marketing as "the set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any network or mobile device". Some later definitions by some scholars, give it a more specific role. For example, Shankar and Balasubramanian (2009) define mobile marketing as "communication and promotion of double or multiple pathways between a company and its customers using a medium, device or mobile technology". Moreover, Scharl, Dickinger, and Murphy (2005, p. 125) refer to mobile marketing as "the use of a wireless means to provide consumers personalized information in real time, sensitive to geographical location, which seeks promote a good, service or idea, bringing benefits to all stakeholders ".More interesting is the fact that have been used at least four different terms to try to refer to the concept of marketing made through mobile means. Among these are the following: mobile marketing, mobile advertising, wireless marketing and wireless advertising (Dehkordi et al., 2012). To properly address the issue, it is necessary to understand the characteristics of the devices that have fuelled this change in today's society and that offer new opportunities to innovate in marketing actions. These characteristics are:

Two way communication: This is a key feature for potential applications in marketing. These devices allow more than any other tool, the possibility of establishing permanent connectivity with users (Schierholz, Kolbe, & Brenner, 2007). This property allows a greater level of use to be given to other devices that require a permanent physical connection, thus creating greater opportunities to generate meaningful communication experiences around brands (Neslin & Shankar, 2009).

Location: It consists of the ability to identify a user's geographical location through the location of their device (Clarke, 2001). This feature is based on the use of geographic localization technologies, among which is the global positioning system known as GPS. With the application of this technology, marketers are now able to geographically focus products or services on a segment of potential customers. It is very likely that more applications of location-based marketing are currently being developed with technologies such as Bluetooth and Radio Frequency Identification (RFID), as was raised in recent years by authors such as Bruner and Kumar (2007).

Mobile direct marketing

Direct marketing refers to "direct communications with carefully targeted individual customers to obtain an immediate response and to cultivate lasting customer relationships" (Kotler et al. 2005, p. 829). With the emerging trend towards one-to-one marketing (e.g. Watson et al. 2002; Rogers 2005), companies are increasingly utilizing direct marketing to reach individual customers more efficiently and to build personal relationships with them. While direct mail, the telephone and press have traditionally been the most important media for direct marketing, advances in information and communications technology have introduced a range of other media that can be used to communicate effectively with individual customers (Fill 2002). Besides the Internet and email, mobile media has proved to be an effective direct response media. For instance, Rettie et al. (2005) and Trappey III and Woodside (2005) have reported considerable high response rates for mobile marketing campaigns compared to traditional direct marketing campaigns.

Mobile Customer Relationship Management (CRM)

Altough there is no consensus about the most appropriate way in which CRM should be defined (e.g. Zablah et al. 2004; Payne and Frow 2006), the importance of managing customer relationships is widely recognized (e.g. Rogers 2005; Ryals 2005). Due to this reason, in part, companies are shifting from mass marketing to targeted or one-to-one marketing, and mass media are increasingly replaced with more personal and focused media. This is also paved the way for the use of mobile media as a channel for interacting with customers.

Perspectives for the study of mobile marketing

Among the advantages offered by the use of mobile devices, there is the possibility of having a real consumer identity. This is due to the personal character smartphones have and to the possibility of getting contextual information regarding user's behaviours in different places, even in real time. This has generated research lines in management sciences, in particular about topics that include mobile advertising, promotions, customer support (Varnali & Toker, 2010), mobile shopper marketing (Shankar et al., 2016), mobile interface usability (Venkatesh, Thong, & Xu 2012), customer preferences, and decision-making (Pescher, Reichhart, & Spann, 2014), among others. The current importance of the mobile channel is given by the time users spend interacting with applications and web browsing on these devices. It is estimated that about half of the searches performed on Google is being carried out from mobile devices (Graham, 2015). This new consumer reality provides a setting for organizations to develop and invest in mobile marketing campaigns that adapt to new patterns of behaviour in terms of web browsing and apps usage. According to Berman (2016), these conditions include: 1. Mobile devices are always on, most of them has mobile internet connection and are always where the user is located; 2. The possibility to generate marketing activities from the geographical location of users at any given time; and 3. The ability to design and send personalized messages according to the pattern of use and previous consumer preferences.

However, there is still the need to perform more research from a theoretical perspective about digital consumer behaviour issues, in order to support decision-making in organisational and management science, specifically those related to the marketing function. In particular, it is relevant to highlight some of the priority topics proposed by the Marketing Science Institute (MSI, 2016), among which are: Changing Decision Processes, given the fact that consumers are almost always connected and have many more options to compare; Integrated Customer Experiences, as firms are challenged to design experiences that their customers have at different touch points to provide higher value in the right time and context; New Data and Skills, as there is a feeling related to the old methods are not working properly, and that a reformulation is required for some indicators and metrics, leading to the synthesis of different methods that provide insights that lead to effective action in marketing.

DISCUSSION

Mostly, all the research unavoidably deals with study limitations. This study only considered a number of se lected journals publication. Since the number of publica tions in mobile marketing keeps on increased, further re search may consider focusing on other journals and more comprehensive analysis of the literatures.

Based on review of selected studies in mobile context, some issues of mobile marketing adoption have been highlighted. First, the consumer behavior studies towards mobile marketing are getting more interest among researchers but the academic literatures on mobile marketing are still at infant stage. More researches on this area are much needed. The explanation of mobile marketing phenomenon is still vague and it could be the main reasons why most of the researchers still do not reach agreement on the definition and classification of mobile marketing. Second, despite of growing number of research on mobile marketing services like mobile payment, mobile advertising, mobile data services, mobile banking, mobile commerce and mobile services,etc, the study on other mobile marketing services is keep on growing such as mobile learning (e.g., [51]), mobile ticketing, mobile booking, etc. The recent trend is most of the studies are using the terms by naming the category based on study context relevancy. The future study may propose the standardization of the mobile marketing services category so that other studies will use similar term and it can be generalized in future study on mobile marketing. Finally, the trend of the research approach in mobile marketing studies is more towards employ on-line survey. Even though personal survey has their advantages but on-line survey is getting trendy among the researchers. This is may be due to this kind of survey can reach globally, fast delivery and it is also convenient. The interesting part is the definition and conceptualization of mobile marketing phenomenon is still remaining unclear. Hence, this will provide a large opportunity for future discussion among researchers.

CONCLUSION:

Prior studies note that there is no consensus among the researchers on definition of mobile marketing. In fact, the conceptualization and phenomenon of mobile marketing is still not fully explained. Researchers have defined and conceptualized the concept of mobile marketing according to their study context and situation. Hence, the selected review in this article might help the researchers at least to understand the major category of mobile marketing in understanding the definition of mobile marketing. These include the fact that unlike laptops smartphones are personal devices, which are almost always on and are reviewed with a high frequency by the users throughout the day. This opens up new opportunities to deliver more personalized communications at the right time and place to impact consumer buying decisions. However, there is still the need to perform more research from a theoretical perspective about digital consumer behaviour issues, in order to support decision-making in organisational and management science, specifically those related to the marketing function. It's apparent that mobile marketing research is only in its initial stage, and although several studies have been carried out on relevant aspects, some issues remain unaddressed by marketing research at both theoretical and empirical level

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