

Framework of Mobile Marketing Communications in Consumer Markets

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Abstract

This Paper aims to examine the theoretical and empirical foundations of the mobile marketing phenomenon. While numerous studies have yielded important insights into this topic, the existing mobile marketing literature appears to be inconsistent and somewhat fragmented. With the help of two action research projects, interviews of mobile marketing practitioners, and an online survey, this study aims to contribute to our understanding of the nature of mobile marketing communications in consumer markets.

Keywords

Action Research, Integrated Marketing Communications, Mobile Advertising, Mobile Commerce, Mobile Marketing, Mobile Marketing Communications, Structural Equation Modeling

I. Introduction

The marketing communications environment has changed rapidly during the last few years. Specifically, mass markets have been broken down into fragmented markets and therefore, marketers are now shifting away from mass marketing. Marketers are developing targeted marketing communications to build and maintain relationships with customers in more narrowly defined niche markets. Furthermore, the substantial development in information and communications technology accelerate the movement towards personalized marketing communications. Consequently, companies interactions with customers are increasingly managed by technologies that enable the firms to personalize communications in real time across multiple media platforms and channels. Thus, marketing communications is nowadays increasingly interactive by nature.

Interactive media changes marketing communications from a one-way process to a two-way process with the interaction of the consumer and marketer at the core. Duncan and Moriarty have stated that “interactivity is a hallmark of the paradigm shift in both marketing and communication.” Shankar and Malhotra defined interactive marketing as “an integrated exchange process by which an organization uses the understanding of customer behavior, technology and other resources to create and manage customer value and collaborative relationships and enhance shareholder value through relevant brands, products/service offerings, ideas and messages communicated and delivered to the right customers through appropriate channels and contact points at appropriate times”.

This view of interactive marketing is obviously motivated by Integrated Marketing Communications (IMC). During the past decade, IMC has generated an increasing interest among academics and practitioners. From an interactive marketing viewpoint, IMC not only defines and assigns the integrated role of diverse communication media but also addresses how the combination of different media enhances the overall effectiveness of a firm’s customer relationships. Thus, IMC profoundly impacts the way in which marketers communicate with customers. Furthermore, the extension of IMC into an “interactive” marketing domain has

added value to bringing together multiple customer touch points, media and messages. Therefore, the traditional nature of marketing communications, mass communication, is no longer a sufficient way to develop durable customer relationships in today’s data-driven and customer oriented world of marketing.

II. Problem Definition

The main purpose of this study was to contribute to our understanding on central theoretical and pragmatic issues related to the application of the mobile marketing communications in consumer markets. Specifically, the main research problem was to determine what is the nature of mobile marketing communications in consumer markets? The main research problem was divided into five more specific research questions:

1. What is the current state of mobile marketing research?
2. How to integrate mobile marketing into a company’s marketing communications strategy?
3. How to plan and implement a mobile marketing campaign?
4. Which factors are associated with the consumers’ intention to receive mobile advertising messages?
5. How do gender, age, income, and employment status affect on consumers’ responses to mobile advertising campaigns?

III. Research Approach

It is difficult to separate theory and method, and if a researcher accepts a set of assumptions about the world shared by a group of researchers, then that researcher, to a large extent, also accepts the criteria for what the appropriate tools (methodologies, instruments, and types and forms of data collection) for examining that world should be. In other words, “the selection of a particular methodology is profoundly theoretical... Research methods represent different means of acting upon the environment”.

In the domain of social sciences, all researchers approach their research subjects via explicit or implicit assumptions about the nature of the social world and the way in which the world may be explored. Thus, discussions concerning research methods in the social sciences are linked directly to assumptions about ontology, epistemology and human nature. If one agrees that a subjectivist approach to social science combines nominalist ontology with antipositivist epistemology, is voluntarist on human nature and ideographic on methodology, this study is likely to be situated toward the subjectivist end of the continuum. However, it is important to emphasize that this study is not a complete opposite to an objectivist approach. Especially since survey method and statistical analyses are employed in the study. Therefore, in a more realistic vein, this study can be situated in some intermediate position between the extreme ends.

With regard to the choice of research approach, a researcher has to decide upon how to build the understanding of the phenomenon under investigation. The central approaches in Western research traditions have been deductive theory testing and inductive theory building. However, over a century ago Charles S. Peirce argued that, besides deduction and induction, there is a third mode of inference, which he called abduction. According to Coffey and

Atkinson, abduction involves “a repeated interaction among existing ideas, former findings and observations, new observations and new ideas.” Therefore, “abductive inferences lead us from specific cases or findings toward generic levels that allow us to move conceptually across... social contexts” (Ibid.). In a recent study, the abductive approach has been successfully applied in the context of mobile advertising. This study also represents an abductive approach in which interaction between existing theory and empirical data is continuous. Thus, in this study both extant theories and the empirical data had an equal and constant role in the knowledge building process.

IV. Mobile Marketing Communications

It has been suggested by academics and practitioners that mobile marketing is a subset of mobile commerce. In the same way that mobile commerce is an evolving field of research, mobile marketing is still in its infancy. However, over the last four years mobile marketing has generated increasing interest among academics and practitioners. Not only have special issues of journals focusing on mobile marketing appeared, but also many mobile marketing articles have been published in high quality marketing and advertising journals. In addition, well known global consumer brands already exploiting mobile marketing concepts include McDonald’s, Coca-Cola, Pepsi, MTV, Volvo, Sony Pictures, Nike, Disney and Adidas. Broadly speaking, mobile advertising revenue totaled US\$2 773 million in 2007 and is predicted to increase by 79 percent to US\$4 957 million in 2008. In addition, it has been suggested that within the next 3 to 4 years, yearly global expenditures on mobile advertising are likely to exceed US\$16 billion.

In addition to the lack of common conceptualization, there is deficient understanding about the actors and activities related to mobile marketing. Thus, it would be extremely challenging to provide an exhaustive listing of all of the possible ways of doing mobile marketing. However, it has been suggested that communication through the mobile medium can be divided into three categories:

1. Pull-based
2. Pushbased
3. Interactive communication as illustrated in fig. 1.

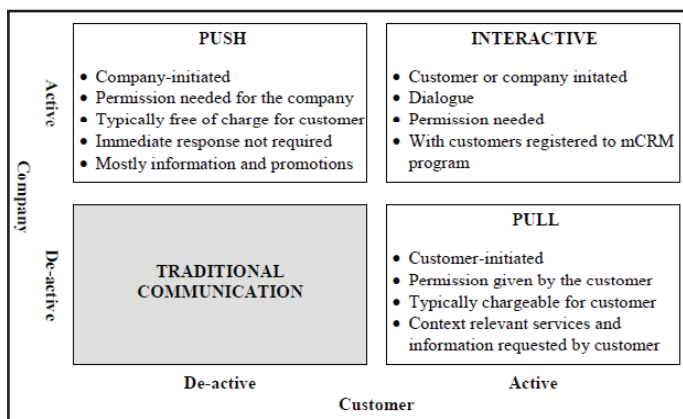


Fig. 1: Communication Modes in a Mobile Context

Push-based mobile marketing refers to any content sent by or on behalf of advertisers and marketers to a mobile device at a time other than when the subscriber requests it. Push-based mobile marketing includes, for instance, audio, Short Message Service (SMS) messages, e-mail, multimedia messaging, cell broadcast, picture messages, surveys, or any other pushed advertising or

content. Pull-based mobile marketing is defined as any content sent to the mobile subscriber upon request or shortly thereafter on a one-time basis. For instance, when a customer requests a mobile coupon or whenever the content of the response, including any related marketing communication, is pull based mobile marketing. Although pull-based mobile marketing is close to interactive communication, an ongoing interactivity and customer-marketer dialogue can only be achieved if interactions are maintained within the context of shared

meaning. In other words, the messages have to be understood by the receiver, the messages have to generate interactivity (responding should serve the receiver’s purposes), and the receivers must respond to the messages immediately. Nonetheless, it is important to emphasize that interactivity is one of the main characteristics that make the mobile medium unique.

V. Research Methodology

In the social sciences’ domain, all researchers approach their research subject via explicit or implicit assumptions about the nature of the social world and the way in which the world may be explored. Thus, discussions concerning research methods in the social sciences are linked directly to assumptions about ontology, epistemology and human nature. Fig. 2, provides a general overview of the relationships between ontology, epistemology and human nature in contemporary social science.

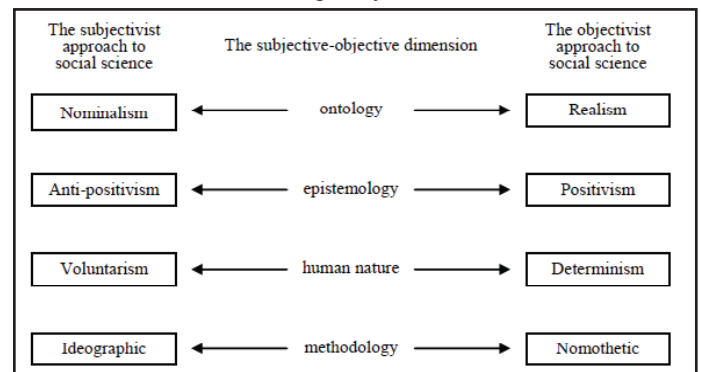


Fig. 2: A scheme for Analyzing Assumptions About the Nature of Social Science

The ontological assumptions concern the actual meaning of the phenomenon under investigation. Thus, ontology is the answer one would give to the question: What kinds of things are there in the world? The second set of assumptions concerns human nature and, in particular, the relationship between human beings and their environment. The different assumptions concerning ontology and human nature incur interesting problems of epistemology (i.e. theory of knowledge). Specifically, different world views reflect different grounds for knowledge about the social world. In other words, there are assumptions about how one might begin to understand the world and communicate this as knowledge to colleague human beings. Thus, as illustrated in Table 1, the nature of what constitutes adequate knowledge changes as we pass from assumption to assumption along the subjective-objective continuum.

Table 1: Network of Basic Assumptions Characterizing the Subjective-Objective Debate Within Social Science

	Subjectivist Approaches to Social Science			Objectivist Approaches to Social Science		
Core Ontological Assumptions	Reality as a projection of human imagination	Reality as a social construction	Reality as a realm of symbolic discourse	Reality as a contextual field of information	Reality as a concrete process	Reality as a concrete structure
Assumptions about Human Nature	man as pure spirit, consciousness, being	Man as a social constructor, the symbol creator	Man as an actor, the symbol user	Man as an information processor	Man as an adaptor	Man as a responder
Basic Epistemological Stance	To obtain phenomenological insight, revelation	To understand how social reality is created	To understand patterns of symbolic discourse	To map contexts	To study systems, process, change	To construct a positivist science
Some Favored Metaphors	Transcendental	Language game, accomplishment, text	Theater, culture	Cybernetic	Organism	Machine
Research Methods	Exploration of pure subjectivity	Hermeneutics	Symbolic analysis	Contextual analysis of Gestalten	Historical analysis	Lab experiments, surveys

Finally, it is important to highlight that the three sets of assumptions outlined above have direct implications of a methodological nature. Each has considerable consequences for the way in which one attempts to investigate and obtain knowledge about the social world. Thus, it is difficult to separate theory and method, and if a researcher accepts a set of assumptions about the world shared by a group of researchers, then that researcher to a large extent also accepts the criteria for what the appropriate tools are (methodologies, instruments, and types and forms of data collection) for scrutinizing that world. In other words, “the selection of a particular methodology is profoundly theoretical... Research methods represent different means of acting upon the environment”.

VI. Conclusion

This study is one step toward increasing our understanding of mobile marketing from both marketers and consumers’ perspective. However, a variety of limitations should be acknowledged. As the choice of abductive approach and action research method suggests, the findings presented in this study should be viewed as the author’s subjective interpretation of the phenomenon. However, every attempt was made to describe the research process very precisely. Thus, all the factors that might have influenced the subjective interpretation have been made as visible as possible. In

addition, the potential bias that the researcher brings into the field experience was systematically reduced with multiple triangulation methods.

In addition, a few limitations regarding the quantitative data used in this study should be acknowledged. Substantial evidence exists in the marketing and advertising literature that many respondents are inaccurate in reporting their own attitudes and past behavior. Thus, additional research relying on, for instance, SMS delivery measures (e.g. number of messages sent, number of replies, and where an identifiable offer is promoted via mobile phone, the exact purchase rates can be measured) should be executed.

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