Beyond Mobile Advertising: an exploratory study of customer engagement and empowerment behaviour via mobile devices in relation to marketing communication campaigns in Saudi Arabia

By

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Abstract

The importance of customer engagement to sustain and foster business growth in interactive environment has been recognised practitioner literature. It has also been observed that such customers become empowered. Yet, there has been very little, if any, academic enquiry examining these concepts. Thus, the aim of this research is to examine customer engagement behaviour and customer empowerment in the context of mobile communication. A conceptual model is built based on the theoretical foundations of technology acceptance model (TAM). This model seeks to explain the level of engagement and empowerment of customers in mobile marketing campaigns. The inquiry extends to examine the impact of moderating factors that influence customer engagement and empowerment. Moreover, this research will investigate the antecedents of customer engagement and its possible consequences.

Following Churchill’s (1979), it is proposed that scales will be developed to capture engagement and empowerment. Given the positivist foundations of this study, a quantitative approach will be used to collect data. An online questionnaire will be hosted on a web server and the link posted on several popular electronic forums in Saudi Arabia. Following data collection, appropriate data analysis techniques will be employed. It is proposed that multiple regression equations along with structural equation modelling will deliver results.

The contribution of the study is both theoretical and practical. On a theoretical level, two new scales will be developed to measure out the engagement and empowerment behaviour. These will provide the basic understanding to customer behaviour in mobile marketing communication. One the other hand, it will improve customers’ relationships with businesses and enhance the communication practises, at the managerial level, and improve companies’ return on investment, as well. Better understanding of customers will also help marketing professionals to better segment and target the appropriate customers to enhance their loyalty.

Keywords: mobile, marketing communication, technology acceptance model, engagement, empowerment.
• Introduction

  o Overview of Mobile Marketing Communications:
  Most of the early studies in the field of marketing communications focused more on consumer attitudes to mobile advertisements than to social norms that decode the message content and the targeted audience (Maneesoonthorn & Fortin, 2006; Tsang, Shu-Chun, & Ting-Peng, 2004; Vincent, 2005), whereas the impact on consumer intention to buy a product/service or even factors that evoke the sense of loyalty to a brand and how long that lasts have seldom been discussed. Thought, there have been a few cross-cultural studies that examined factors that drive mobile advertising, e.g. Choi et al. (2008). However, two major streams can be recognised in these studies, the customer perspective of mobile advertising, and technology acceptance.

  The first stream focuses on the customer perspective of mobile advertising and how such advertising is accepted in a social context. A comparison between Korean and American consumers found more positive evaluations among Americans. It also found that informativeness had more influence on Americans than Koreans, while perceived value of advertising had a greater influence on Korean consumers (Choi, Hwang, & McMillan, 2008). Marketing tools have been developed and improved over the past years. Newspapers, radio, TV and the Internet have been and still are considered by marketers as media tools to reach consumers. In addition to the traditional word of mouth tool (WOM) which represents the power of the human voice and human contact, they are the most powerful communications tools. In the Japanese context, mobile WOM youth consumers were more open to accepting their peers’ recommendations and trusted them due to their strong social ties, even if they were not interested in advertisements (Okazaki, 2008).

  Moreover, Barwise and Strong (2002) found that the role of permission-based mobile advertising clearly evinced a positive attitude toward mobile advertising. In fact, sending SMS to users without their permission will generate negative attitudes and might reduce brand equity, because the mobile handset is seen as a personal space and individuals are very attached to it (Vincent, 2005). Another study investigated drivers of acceptance and found that entertainment and information were the strongest drivers (Bauer, Reichardt, Barnes, & Neumann, 2005). In addition, a study of the antecedents to permission-based mobile marketing found that institutional trust was a more important antecedent than personal trust, perceived control and experience (Jayawardhana, Kuckertz, Karjaluoto, & Kautonen, 2009). Another study found that customer attitude was not necessary negative, even toward messages sent without permission. In fact, customers may be motivated to accept mobile advertising by other elements that affect their behaviour toward positivity, such as process, socialisation and content motivations (Peters, Amato, & Hollenbeck, 2007).

  The other stream of research focuses on technology acceptance, including mobile services and mobile commerce. Adoption of the Short Messages System (SMS) by Korean customers was found to be affected by four factors: perceived enjoyment (PENJ), perceived monetary value (PMV), perceived usefulness (PU), and perceived ease of use (PEU). Furthermore, customer perceptions of SMS as enjoyable and pleasant affect their perceptions of PU and PEU (Kim, Park, & Oh, 2008). The intention to adopt SMS advertising among Chinese customers was found to be determined by PU and PEU alongside trust (Zhang & Mao, 2008). In terms of mobile information and entertainment services, it has been found that word of mouth intention was influenced by the emotional and social values of users more in entertainment use than in information use in post-purchase behaviour (Pihlström & Brush,
2008). However, this study lacks the element of tangibility and there is a requirement for a study to be carried out to bridge the gap.

Another study used a triangular model (TRA, TPB, TAM) to investigate the intention to use mobile services. The study also added non-utilitarian motives such as perceived enjoyment and expressiveness to the construct. It was found that subjective norms and perceived control are important antecedents on intention to use, while perceived enjoyment and expressiveness are indirect determinants (Nysveen, Pedersen, & Thorbjørnsen, 2005). Moreover, the increased penetration of mobile technology has led to some studies to investigate the effect of mobile on the commercial environment. In Taiwan, 29% of mobile users were found to be familiar with mobile commerce, which was not a very large proportion, but they were between the ages of 20 and 39 and almost 50% were categorised as having a high income level (Wu & Wang, 2005).

The two main streams looked at the advertising via mobile as a new way to reach customers and how they would perceive it. Moreover, they focused on the attitudinal elements that captured their reaction when the ads reached them. They mostly examined the role of customer perception of mobile advertising but did not go beyond it. It is however apparent that there are many issues that have not been examined by the academic literature. For example, in a study carried out by Economic Inelegance Unit in 2007, the role of engagement has been emphasised and this in turn would foster business growth in interactive environment.

The nature of the mobile device as an interactive medium raises an important issue to be studied and uncovered. It is not only a medium for receiving or sending ads text, the present capabilities and particularly the future potential is far greater. In fact it is an environment where a deeper, more meaningful connection between the company and the customer, and one that endures over time can be created. In such an environment, not only would customers be engaged, they would become empowered. As such, this research will examine the concept of customer engagement and empowerment in a mobile marketing context. In what follows, the concepts of customer engagement and customer empowerment are briefly introduced. In what follows, the concepts of customer engagement and customer empowerment are briefly introduced.

- **Customer Engagement:**
  The word engagement comes from the verb ‘to engage’, which is defined by the Oxford Dictionary (1999) as “to occupy subjects, thoughts, time, interest, etc’”, and is a new concept in the marketing literature. According to Gambetti and Graffigna (2010) the engagement concept is currently seen as a fundamental driving force behind postmodernist consumer behaviour and decision making, although a clear and comprehensive definition of the new concept is lacking. However, in marketing communication literature, customer/consumer engagement is concerned with how the individual is or can be engaged by a brand, advertisement or communication medium, while brand engagement, advertising engagement and media engagement focus on brand, advertising message and the mass media as contexts capable of eliciting engagement in the individuals exposed to them (Bowden, 2009; Wang, 2006; Heath, 2009; Schau et al., 2009; Kilger and Romer, 2007).

There are four themes have been identified on the engagement literature. The first regards engagement as an interaction between employee and customer, and emphasises the usage of
virtual communities as primary interaction tools with customers. The second considers it as an alliance between company and customer, a type of strategic implementation, with a focus on enhancing trust and loyalty among customers. The third sees it as a co-production of contents between a company and customer, which takes place specifically in communication programmes and intends to explore consumers’ attitudes and expectations. The last theme considers engagement as a top management effort towards its employees that exists in an organisational context (Gambetti & Graffigna, 2010). Of these, both the first and second themes are relevant to exploring further the engagement practices in the Saudi Arabian context in this research. Yet, themes lacked unified measurement to test out the level of engagement behaviour.

However, van Doorn et al. (2010) express that customer engagement behaviour goes beyond transactions and more rooted in psychological elements, while Kumar et al. (2010) find it important to understand the engagement relationship between business and customer in order to improve companies’ profitability. Thus, in this research, customer engagement is considered to be the “initial interest and further actions taken place by the customer in marketing communication, which it can be cognitive, emotional and behavioural investment in a specific brand interaction in B2C and C2C relationship”. This definition will be used to develop the theoretical framework to customer engagement. Meanwhile, customer empowerment, which will be discussed in the next section, provides an important foundation for understanding the customer engagement behaviour in the mobile technology context.

- **Customer Empowerment:**

Most of the literature on customer empowerment discusses its internal side, with much of it related to the human resources field. However, a handful of researchers have examined the external side, whereby a customer is seen as being empowered by involvement in new product development (NPD). These researches agreed to some extent that having customers involved in the NPD and taking their wants/needs into consideration will enhance the purchase intention (Wathieu et al., 2002; Ramani & Kumar, 2008; Brady, 2001; Cronin Jr, Brady, & Hult, 2000). In this respect, enabling customers to communicate their thoughts, feelings and their enthusiasm or even their disappointment about a product is considered to be a sign of empowerment, given the necessary channels to facilitate engagement (Füller, Mühlbacher, Matzler, & Jawecki, 2009).

However, the link between engagement and empowerment is all but absent in most the literature reviewed. Most of such studies where in the human resource field and mostly focused on the service sector. Thus, the establishment of a brand platform, as in the case of Nutella, was considered an engagement with the brand; a conversation among peers was carried on through the forum, and at the same time, it was seen as empowerment (Cova & Pace, 2006). That concurs with Turnquist’s (2004) definition of customer empowerment, which considers consumer empowerment as increasing consumer value by providing additional access, content, education and commerce to wherever the consumer is located.

Thus, for the research purpose, Füller et al.’s (2009) definition of customer empowerment as “any means strengthening a person’s perception of self-determination and self-efficacy and reducing conditions contributing to feelings of powerlessness” (pp. 74-75), will be adopted to develop a measurement scale, to test and explore the relationship of customer empowerment to engagement in the theoretical framework, (see appendix A).
References


Appendix (A)

Theoretical framework based on TAM