

Towards Modelling the In-Application Mobile Marketing Strategies and Consumers Engagement in Mobile Shopping

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Article Info

Article history:

Received 25 April 2021

Received in revised form 25 May 2021

Accepted 29 July 2021

Published 01 October 2021

Abstract

The main rationale of this research is the impact of an application of mobile marketing strategies to purchase behaviour and consumers engagement as mediation relations. The study is filling the gaps and enabling this study in Nigeria's context of both existing evidence and its practical applications. The Role of Contemporary Mobile Marketing Strategies is how businesses deal with their consumers' needs by using different tools such as Campaigns, Promotions, Vouchers, Feeds. Others created The Role of Contemporary Mobile Marketing Strategies frameworks like the following customer service activities regard for the rights of customers, offering quality services and products, and giving info that's usefull and truthfull. The study uses Cronbach's alpha to find the reliability of the variables and to test the internal consistency of the variables. The study conducted one pilot study of 30 participants; those are residence people in Nigeria and use the mobile apps for shopping (this group will not be part of the actual data collection).

Keywords: Campaigns, Promotions, Vouchers, Feeds, Messaging, Consumer's Engagement

1. Introduction

Shopping comes to mind as many looks to purchase new items or stock up on good deals as retailers make space for the New Year or the main events. However, in today's day and age, more are looking towards online purchasing as the new norm for getting gifts or good deals (Blythe & Martin, 2019). Nigeria as one of the major countries in Africa, evolution fast to the digital era and its people are rapidly embracing the digital culture, triggering the need for the retail sector to adapt to this change to capture this new, modern consumers market. Nigerian's digital economy has strengthened further, is now one of the main contributors to the country's economy and is expected to grow fast (Fox & Bakhoum, 2019). Developments of new services, such as mobile commerce, mobile social networking, and digital content with the advancement of smartphones and tablets, and growing broadband network supplication (Ghazali et al., 2018). Rapid technology migration to mobile has redefined consumers' experiences with various aspects of daily life, creating new business opportunities across markets (Hallikainen et al., 2018). To seize the advantages of the new digital ecosystem, retail industries have attempted to capitalize on mobile channels to serve and connect with customers better. In congruence, various mobile channels have been introduced in markets such as mobile banking, mobile payments, and mobile shopping (Gale, 2017). Statistics suggest that the world is experiencing rapid growth in the mobile industry, with 3.6 billion mobile subscribers at end of 2014. Moreover, half of the world's population already has mobile subscriptions, and the global penetration rate is expected to reach 60 percent by 2020.

Mobile's influence on shopping behavior has been on the rise since the advent of the smartphone, but recent data indicates consumers are becoming more comfortable finalizing transactions on their phones (Mahapatra, 2017). In fact, Forrester's 2018 Retail Best Practices: Mobile Web study found smartphones will be used in over one-third—or more than \$1 trillion—of total U.S. retail sales at some point in buying something in 2018, including research, price comparisons, and purchases (Weinstein, 2018). In addition, according to data from Google Analytics from June to September 2017, over 40 percent of online transactions were made on mobile devices. Mobile commerce is the buying and selling of goods and services through wireless handheld devices such as smartphones and tablets. As a form of e-commerce, m-commerce enables users to access online shopping platforms without needing to use a desktop computer. Examples of m-commerce include in-app purchasing, mobile banking, Mobile Payment, virtual marketplace apps like the JUMIA or Jiji.ng mobile app, or a digital wallet such as Apple Pay, and Samsung Pay (Jaz et al., 2018; Narang & Arora, 2016).

The important factors for mobile shoppers are the ability to see product pictures, use the mobile-friendly version of the website, have product descriptions, be able to read product reviews, and the ability to see/compare the price of a product (Turban et al., 2017). Alalwan (2020) suggests that the basic intention of the promotion is to inform and persuade and influence the customer's decisions. In other words, promotion is also considered to describe all the marketing communication activities performed by a company to promote its products or services (Mkhize & Ellis, 2020). The popularity of mobile marketing has steadily increased over the past few years with both businesses and consumers (Lamberton & Stephen, 2016). Mobile marketing enables the relevant information to be distributed on a personalized and interactive basis to online customers (Shankar et al., 2016). As a result, this new marketing trend is becoming even more striking and attractive, as mobile devices and mobile web browsing technologies gain noticeable popularity among consumers (Sanchez et al., 2018).

Nigeria is a developing country with a big population, where people still used and trust the traditional ways of buying and selling more than other modern new tools and ways (Maneesoonthorn & Fortin, 2006). In a Report about e-shopping in Nigeria found out that a very low number of total sales are being done online via mobile (Narang & Shankar, 2019). People don't trust e-shopping via mobile compared to other countries. A study showed that about 10% to 15% of total sales in Nigeria were done via mobile shopping which is very low compared to other developing countries like Malaysia or Indonesia (Michael and Salter, 2006). Furthermore; the studies show that there is a significant important relationship between countries advancement and the use of technology or sometimes called the use of financial technologies which includes the e-shopping (Koi- Akrofi et al., 2013). In the case of Nigeria, we can see that the low advancement could of be restricting economic advancement by conducted a faster buying and selling transactions (McCorkle et al., 2013). The target market of mobile marketing is being widely, it is known that in many areas of the world, the Internet and mobile devices users have grown tremendously in the last several years (Kumar & Mittal, 2020). As a result of fast-paced technological developments consumer behaviour has changed a lot in past decades. Earlier, people used to do window-shopping. Nowadays, they are doing mobile shopping as they glued to the screens of their phones. Consumers are researching and receiving information, evaluating and buying products and services with the help of the Internet enabled technologies in different locations and various circumstances, when they at home, at work or when they on the move using mobile phones. Usage of mobile phones for shopping is a topic of significant interest to many consumer marketers nowadays (Beauvisage & Mellet, 2020). The usage of mobile phones affects consumer behaviour in many ways. Consumer behaviour is a study of human beings, which is an interesting subject to learn. According to the Presti et al (2020) points out "if retailers understand the behaviour of their customers in mobile channel, the smartphone has the potential to revolutionize the shopping experience". Consumer behaviour is the study of how individuals or groups buy, use and dispose of goods, services to satisfy their needs and wants. The needs and wants of consumers differ across various cultures, situations and individual characteristics.

2. Literature Review

2.1. Campaigns

The concept of the mobile marketing strategies campaigns is the use of technologies to help marketing activities to improve customer knowledge by matching their needs (Tong et al., 2020). Now a days it is quintessential for a business to grow and flourish. The concept of the mobile marketing strategies campaigns is affected to a great extent by it (Sharma & Berad, 2019). As per statistics, around 92% of consumers report that they trust digital media and word of mouth on different digital channels above all other forms of advertising (Rosario et al., 2020). In addition, digital marketing helps to build relationships, channelize marketing campaigns, optimize online branding, target customers, measure effectiveness of each online marketing campaign, and hence, let industries be more target-oriented and reap more profits (Zohra & Barman, 2019). Industries today thrive and reap benefits from the interactions and the communication between them and their customers (Asif, 2020). The concept of the mobile marketing strategies campaigns helps them to bring new desired products and services for them and the customers by maintaining and increasing the customer base and improve on the less desirable products and services (Hollebeek & Macky, 2019). The concept of the mobile marketing strategies campaigns performance of digital marketing as compared to other countries, initially could have been termed as little quandary (Zohra & Barman, 2019).

2.2. Promotions

The concept mobile marketing strategies promotions empirically examine how retargeting can be enhanced by a suite of other targeting strategies, including behavioural targeting, temporal targeting, and use of discounting commerce, to form a more comprehensive contextual targeting strategy (Varnali, 2019). Not only each individual strategy contributes to targeting effectiveness, but also the interactions with retargeting offer added value to help firms overcome the negative effect of distance to users (Liu & Mattila, 2017). A comprehensive contextual targeting strategy is effective because purchase decision is not only triggered by location match, but also need match and dereference match (Katti, 2020). With a between subject factorial field experiment, we analysed how distance affects users' click of ad and how temporal and

behavioural variables produce main effect and moderate the effect of distance (Kim et al., 2020). Furthermore, the concept mobile marketing strategies promotions for users who prefer on-site service are more sensitive to distance, while users who demonstrate a recent interest online are less sensitive to distance (Sovacool et al., 2020). The concept mobile marketing strategies promotions interaction effect between retargeting and temporal targeting in this context (Narang & Shankar, 2019). This study makes a few interesting contributions to the retargeting literature. The concept mobile marketing strategies promotions propose asset of behavioural variables to characterize users of the industry, including users' preference for on-site service (dining out) or delivery service and their regency of browsing websites (Sheikh, 2019). The concept mobile marketing strategies promotions, targeting research has focused on mobile users, this study employs PC users as the study population (Baabdullah et al., 2019). Sales promotions are recognized for their effectiveness in increasing sales volume within a short time (McColl et al., 2020).

2.3. Vouchers

It is very clear that the Apple App Store is performing exceptionally well in almost all aspect except billing. With its closed ecosystem, the Apple App Store needs consumers to pay via an iTunes Account. This could be an obstacle for Apple moving ahead. If we follow Roger' bell curve analogy⁵, then the Apple iPhone is ready to cross the Early Adopters phase or is already in Early Majority. This feeling was also echoed with Vision Mobile Research regarding their findings on the future of App Stores (Tang, 2019). As the App Stores phenomenon is becoming a commodity and entering early majority market phase, we will see that subscribers will push for simplified billing process in terms of carrier billing or subscription models using a credit card (Simon, 2019). Based on the existing relations of carrier or operators with customers, this is more likely to be the winning method in near future.

2.4. Feeds

The concept the Mobile feeds advertising includes banner/display advertising, search (paid and unpaid) advertising, and personalized advertising (Narang & Shankar, 2019). Research on feeds mobile advertising offers a framework in which contextual and consumer factors determine advertising goals, leading to the choice of advertising elements and advertising outcomes, such as clicks and purchases (Molitor et al., 2020). The feeds mobile devices are uniquely tied to an individual and allow marketers to use data on individual preferences, movement patterns, co-located social connections, and other individual-specific variables to personalize advertising and marketing communication messages (Narang & Shankar, 2019). Thus, the feeds mobile devices offer a unique marketing opportunity for personalization (Aguirre et al., 2016). In the feeds mobile advertising context, mobile display advertisements result in favorable attitudes toward products and purchase intentions, in particular, for high-involvement and utilitarian products (Kim et al., 2019).

2.5. Messaging

Mobile phones (smart phones) and either subscribe or pay for usage through the mobile service provider (Chen, 2020). While not all websites offer full functionality for those accessing the site on a mobile device, the mobile browsing experience can be compared to internet access through a computer (Ohme, 2020). Consumers are exposed to a full range of internet advertising, from banners, to pop-ups, to the company sites in general (Diamantopoulos, 2020). The concept mobile marketing strategies messaging most academic and practitioner on mobile marketing communications are focused on this level of technology (Chaffey, 2019). Based on the current state of development, this paper will focus on the most basic form of mobile marketing communications, SMS (text messaging) (Niu et al., 2020). The following sections will first review representative literature to shed light on what characteristics of this communication medium are most important to understand its use and development (Pessôa & Becker, 2020). This will be followed by a review of literature that guides media channel selection to see how mobile marketing communication should fit into strategic media decisions (Carlson et al., 2019).

2.6. Consumer Engagement

Consumer engagement is important is a critical concept in ecommerce, whether you are a website owner, a content marketer, or an app developer. Understanding this fundamental idea will help to retain more customers and improve your profits (Ho & Chung, 2020). Depending on the context, consumer engagement may go by other names, such as customer engagement or user engagement. Though the context and the term may vary the definition slightly, the underlying concept is the same (Obilo et al., 2020). Consumer engagement tracks how consumers engage with a company, brand, product, website, app, service, and so on. Consumer engagement refers to a company's or brand's efforts to build relationships with individuals through personalized interactions on multiple channels, with the goal of gaining and retaining loyal customers. In its broadest sense, consumer engagement refers to how consumers engage with brands and products in general. When used in a specific context, it refers to how consumers engage with a particular brand, product, company, or service (Alvarez-Milán et al., 2018).

3. Questionnaire Reliability

The study uses Cronbach’s alpha to find the reliability of the variables and to test the internal consistency of the variables. The study conducted one pilot study of 30 participants; those are residence people in Nigeria and use the mobile apps for shopping (this group will not be part of the actual data collection). Table 1 shows the results of the Cronbach’s alpha reliability tests acquired via the tool “SPSS ver.23”. All the variables have acceptable values of Cronbach’s alpha between 0.697 up to 0.886. Internal consistency reliability measured by Cronbach’s’ alpha should be higher than 0.70, but in exploratory studies the values from 0.6 and more are accepted (Hair et al. 2014).

Table 1. Pilot Study Reliability tests results

Variables / (scales)		Cronbach's Alpha
Purchase Behaviour	PB	0.807
Consumers Engagement	CE	0.745
Campaign Strategy	CS	0.759
Promotions Strategy	PS	0.747
Vouchers Strategy	VS	0.726
Feeds Strategy	FS	0.740
Messaging Strategy	MS	0.806

4. Conceptual Framework

The research framework of this particular study has determinates of in application mobile marketing strategies such as (campaigns, promotions, vouchers, feeds, and messaging) as independent variables that have a direct impact to consumers engagement. (As seen in Figure 1).

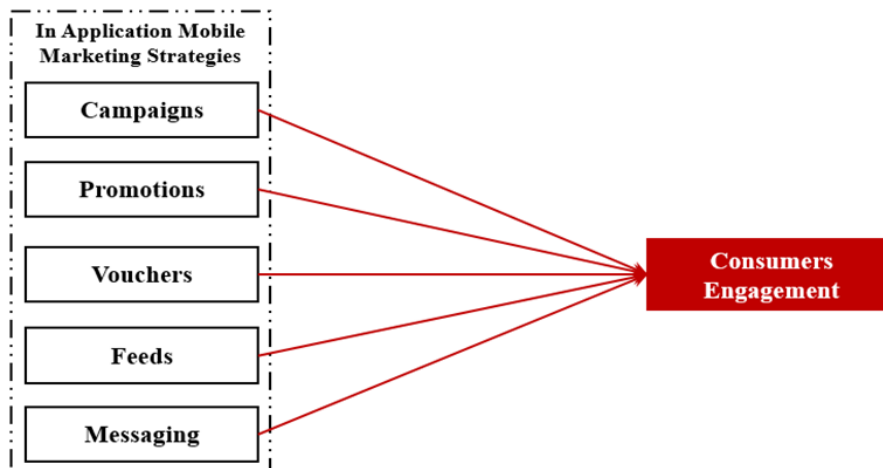


Fig. 1. Conceptual Framework of the Study

5. Contributions and Recommendations

This study proposed a developed model with new constructs and relations. While the model was assessed successfully, but further research is needed to assess the model in different environments. One of the constraints is the limited approach of implementation, which limits the generalization, therefore replicating the same assessment in online retailing industries in other countries is recommended to get a better understanding and generalization. Another constraint is the participant’s types and selection, which reduce the generalization, therefore replicating the same assessment in other firms and wider participant’s number is recommended to get a better understanding and generalization. Recommendations are extended, to test the model and the instrument in other sectors or even to test whether this model can be suitable for other industrial sectors. However further studies must focus in exploring, and examining additional factors, other than in application mobile apps strategies (campaign strategy (CS), promotions strategy (PS) messaging strategy (MS), feeds strategy (FS) and vouchers strategy (VS)).

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