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Patricia Zegrean

Bucharest University of Economic Studies

2-4 Cădere Bastiliei str., Sector 1,
Bucharest

Phone numbers: +4.021.319.19.00;
+4.021.319.19.01;

Fax: +4.021.319.18.99

E-mail: patricia.zegreanu@gmail.com

Dorel Paraschiv

Bucharest University of Economic Studies

Department of International Business and Economics

2-4 Cădere Bastiliei str., Sector 1,
Bucharest

+4.021.319.19.00;

+4.021.319.19.01;

Fax: +4.021.319.18.99

E-mail: paraschiv@inde.ro

ENHANCING THE PERCEIVED VALUE OF MOBILE MARKETING. A ROMANIAN CASE STUDY

ABSTRACT. The increasingly presence of mobile marketing and mobile advertising is attracting both customers and marketers to a new dimension of business communication. Even though the adoption rates are high, the value of mobile marketing from a customers' perspective is hard to specify, as it is dependent on the features of the mobile instrument, the predominant traits of the customer and their attitudes towards the advertised product or service. The purpose of this article is to establish how the value of mobile marketing services is perceived by users with different demographic characteristics. For this purpose, an online study was conducted with more than 500 participants.

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Introduction to mobile marketing and its perceived value

Mobile marketing is the newest marketing form that enables business entities to use mobile phones as an ultimate marketing vehicle, thus establishing a perpetual presence in the life of their customers, anytime, anywhere (Varnali, Toker, 2010). Although mobile marketing and mobile advertising are still in their infancy stage (Soroa-Koury, Yang, 2010), they are becoming a feasible marketing channel for interested marketers and advertisers (Mobile Marketing Association, 2007), providing the fact that mobile campaigns are successful only when they are not intrusive (Andrews, 2006). More than having unprecedented opportunities in building and fostering customer relationships (Varnali, Toker, 2010), the personal nature of the mobile instruments suggest that there is a strong compatibility between a customer's own values and a lifestyle involving mobile marketing services (Roach, 2009).

The mobile media can offer added value that is based on the distinctive features of mobile devices, such as *always with the user*, *always on* and *always connected* (Varnali, Toker, 2010). By underlining the personal use of mobile devices, companies can consequently credit the gained information to a single user (Cleff, 2008). Through shifting individualized marketing communication in the focus of the strategic considerations of the company (Tripathi, Mittal, 2008), these can provide individual customized products, services and communication messages to every unique (potential) client (Tripathi, Mittal, 2008). A

bidirectional, one-on-one communication with every single consumer tends to build a strong level of trust and commitment between companies and its individual clients, allowing for a rise in perceived utility and value of a company. Since consumer perceived value is the ultimately goal of business entities, there is a deep need to understand what elements and features of the mobile medium can provide value from a consumer's point of view (Varnali, Toker, 2010).

It has been suggested (Pura, 2005) that commitment and perceived value can be leveraged by offering emotional and fun experience in the right context and although a consumer may not intentionally seek emotional benefits during a consumption experience (Yang, Jolly, 2009), positive emotions play an important role on a subliminal level when thinking of further acquisition making processes. Trust in the marketer has been found to have a positive influence on the attitude towards mobile marketing and advertising (Karjaluoto, Lehto, *et al.*, 2008), but adoption of mobile marketing depends both on the perceived utilitarian value and hedonic value (Bauer *et al.*, 2007; Kleijnen, Ruyter, & Wetzels, 2007) of its provided services. Although it was supported that hedonic value has a stronger influence than utilitarian value when building attitudes towards mobile marketing (Bruner & Kumar, 2005), additional results (Kim & Hwang, 2006) show that higher level of maturity consumers have a tendency to more utilitarian values, while lower maturity level consumers tend to exhibit more hedonic value seeking.

Despite the fact that value dimensions vary in number and type, most of them including utilitarian, hedonic, social and monetary value (Gummerus, Pihlström, 2011), the importance and co-existence of emotional and functional values were demonstrated on many mobile marketing instruments, such as mobile internet (Kim *et al.*, 2007), location-based services (Pura, 2005), mobile data services (Yang & Jolly, 2006) and mobile multimedia services (Philström, 2007).

The goal of this article is to provide business entities with the understanding of how customers perceive the final value of mobile marketing and how practitioners can leverage this value by acknowledging the characteristics that increase customer's involvement. By designing mobile marketing campaigns that offer users more than one type of the above-described values, companies can improve their marketing results and foster stronger relationships with existing customers.

Although international literature defines these four types of values, the exploratory research on the Romanian market reveals that there are certain characteristics for different mobile marketing instruments.

Exploratory research on consumer's perceived value on mobile marketing services

In April 2012, we conducted an online study about the usage of mobile phones and the behaviour of Romanian respondents when being involved in a mobile marketing campaign. The answers of the 514 participants were gathered and interpreted with SPSS. All these participants were Romanian citizen, owners of mobile phones, older than 16 years and with Internet access. The online study consisted of 26 multiple-choice questions about the usage of mobile phone and the users behaviour when participating in a mobile marketing campaign. The exploratory nature of the research was most adequate taking into consideration that mobile marketing and its related topics are still in its infant stage of development, and that there is a scarcity of scientific literature on this theme in general and on the Romanian market in particular.

The results support the international literature on this topic, especially the division of utilitarian and hedonic values between respondents of different demographic characteristics.

More than that, the study goes deeper by analysing different mobile marketing instruments and the effect of its perceived value on the final customer.

The first figure describes what characteristics of a commercial message make respondents read and engage with it. The four possible answers could be split into the main discussed categories: utilitarian (clever, relevant information) and hedonic (interesting design, emotional message) value. Results show that the most appreciated element of a commercial message is its cleverness, followed by the relevant information it contains. An interesting aspect of this result is that the higher the income, the more respondents will appreciate a clever message. Age does also influence the values and likes of its respondents, thus underlining the importance of age specific targeting. Younger respondents prefer an interesting design more, whereas older respondents tend to prefer ingenuousness and emotional tones of a commercial message.

Table 1. Characteristics of commercial messages that make respondents read them

	Total	A clever message	More relevant information	An interesting design	An emotional message
Total	514	53.11%	40.86%	24.32%	7.20%
16 – 25 years	159	54.72%	39.62%	34.59%	5.03%
26 – 35 years	278	54.68%	39.93%	19.78%	6.83%
Over 35 years	77	44.16%	46.75%	19.48%	12.99%
Female	301	55.81%	42.19%	22.59%	8.31%
Male	213	49.30%	38.97%	26.76%	5.63%
Under 1500 RON	135	53.33%	38.52%	27.41%	5.93%
1501 – 2500 RON	145	51.03%	42.07%	22.76%	8.97%
2501 – 3500 RON	104	47.12%	44.23%	24.04%	4.81%
Over 3500 RON	130	60.00%	39.23%	23.08%	8.46%

Source: Zegreanu, Nemoianu, Slăvescu (2012), Society's Influence on the Acceptance of Mobile Advertising: An Exploratory Research on the Romanian Consumers, *International Journal of Business and Commerce*.

When choosing to download a mobile application, the values and likes of respondents tend to be a little different than that of a simpler commercial message. Personal utility is the most important criteria when choosing a mobile application. These results are accurately linked to the final purpose of a mobile application, which is to keep its user informed and to facilitate access to other relevant information for the user.

The next chosen criteria, situated much lower than personal utility, is the gratuitousness of a mobile application. Appreciated to a greater extent by those aged under 35, this criteria of being free of charge is understandably among the most appreciated ones. Even though the cost for downloading a mobile application can be characterized as available for everybody, the amount of mobile applications needed for an average person can increase the cost exponentially. The most striking aspect is nevertheless the fact that gratuitousness is mentioned second after personal utility. The willingness to pay for a desired and utilitarian piece of software does also explain the boom of specialists for software and mobile application development.

Table 2. The most important criteria when choosing a mobile application

	Total	Age			Monthly income			
		16 – 25 years	26 – 35 years	Over 35 years	Under 1500 RON	1501 – 2500 RON	2501 – 3500 RON	Over 3500 RON
Total	514	159	278	77	135	145	104	130
Personal utility	81.13%	79.25%	81.29%	84.42%	79.26%	78.62%	84.62%	83.08%
Gratuitousness	41.83%	47.17%	42.45%	28.57%	45.93%	40.69%	44.23%	36.92%
Cleverness	19.46%	29.56%	16.19%	10.39%	28.15%	13.10%	17.31%	19.23%
Popularity among peers and friends	10.12%	10.69%	11.87%	2.60%	8.15%	9.66%	9.62%	13.08%
Interesting design	6.42%	8.18%	6.12%	3.90%	5.19%	4.14%	6.73%	10.00%

Source: Zegreanu, Nemoianu, Slăvescu (2012), Society's Influence on the Acceptance of Mobile Advertising: An Exploratory Research on the Romanian Consumers, *International Journal of Business and Commerce*.

Personal utility as the most important criteria when choosing a mobile application is appreciated to a greater extent from those respondents that have an Internet connection on their mobile phone and by those who download mobile applications on a weekly basis.

Other criteria for choosing to download a mobile application are cleverness and popularity among peers and friends, which are appreciated more from respondents that are aged under 35, have a lower monthly income and own a smartphone with Internet connection.

Table 3. The criteria for mobile application download depending on type of mobile phone, Internet connection and number of weekly downloaded applications

	Total	Smartphones owners		Internet access from the mobile phone		How many mobile application do you download weekly?	
		Yes	No	Yes	No	0	between 1 and 5
Total	514	311	203	347	130	304	198
Personal utility	81.13%	90.03%	67.49%	86.74%	66.15%	74.01%	91.41%
Gratuitousness	41.83%	38.59%	46.80%	38.33%	45.38%	44.08%	37.88%
Cleverness	19.46%	20.90%	17.24%	21.61%	15.38%	11.84%	28.79%
Popularity among peers and friends	10.12%	14.47%	3.45%	13.26%	1.54%	5.59%	15.15%
Interesting design	6.42%	8.36%	3.45%	7.20%	5.38%	4.28%	7.58%

Source: Zegreanu, Nemoianu, Slăvescu (2012), Society's Influence on the Acceptance of Mobile Advertising: An Exploratory Research on the Romanian Consumers, *International Journal of Business and Commerce*.

Conclusions and potential directions for further research studies

Although mobile marketing is still in an infant stage of development, most studies show that the users of its services are aware of the specific values it provides. Most respondents of the study prefer the personal utility that relevant information can provide. By enhancing the specific and unique features of the mobile medium, companies can build one-on-one relationships with their individual customers, thus leveraging the relationship level to new standards. Because perceived value from a consumer's point of view is hard to recognize, further studies could go deeper into dividing the many types of value and establish the more perceived ones in mobile marketing. As this new domain covers up a lot of little communication instruments between companies and consumers, directions of further studies can also observe if specific values go along with specific usage of mobile marketing services.

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