'Mobile Marketing A Tool For Building Customer Loyalty'

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Abstract

In recent years, marketing to customers has become increasingly challenging as the number of available products and services across industries has grown significantly, while at the same time marketing tactics and customer touch points have proliferated.

It is vital for the survival of any organisation to have loyal customers as the complexity and the competitiveness in the market place regards to what companies need to do and how they do it, meeting with the needs of the customer

The recent rapid growth of the mobile phone market has made mobile marketing one of the most important advertising tools and contact points available to companies today. Mobile marketing can increase customer loyalty by providing customers with timely and informative information.

The aim of this piece of research aims to explore mobile marketing and how it can contribute to customer loyalty.

The study was conducted to identify the main methods of mobile marketing used by companies, to identify how much contact is pushed on customers by companies, determine the perceptions of mobile marketing and overall determine how mobile marketing contributes to customer loyalty and establish how companies can improve the implementation of mobile marketing.

Secondary research gives a brief overview of customer relationship marketing (CRM) which ties in with mobile marketing where theories and technology complement each other. Primary research was conducted in two phases. Phase 1 will consisted of 6 in-depth interviews, 1 with an industry expert, who offer mobile marketing services. Phase 2 was completed with administrating 100 questionnaires as part of a street survey to both users and non-users of mobile phones.

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List of Abbreviations

3D   Three Dimensional

3G   Third Generations

4G   Fourth Generations

App   Application

ATM   Auto Teller Machine

CRM   Customer Relationship Marketing

CSO   Central Statistics Office

GPS   Global Positioning Service

HTML   Hyper Text Mark-up Language

IT   Information Technology

LBS   Location Based Services

MMS   Multimedia Media Services

PC   Personal Computer

PIN   Personal Identification Number

POP   Point Of Purchase

QR   Quick Response

SMS   Short Messaging Services

TV   Television

UK   United Kingdom

Wi-Fi   Wireless Fidelity

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Chapter One-Introduction

Mobile phones are the most ubiquitous personal item personal item in the world. Over the years the mobile phone has become an increasingly attractive product, with added features and functions. There are 5.9 mobile users in the world accounting for 87% of the world's population according to statistics published by Mobi Thinking in November 2011. While the primary function of a mobile phone is to enable users to talk to each other, the popularity of other mobile phone services, such as short messaging services (SMS), have grown very rapidly (Jayawardhena *et al.* 2009).

Today, the mobile phone is central to the lives of most consumers, including the lives of young teens. It is a device many consumers cannot seem to do without; they always have it on and check it almost everywhere they go. For these consumers, the mobile phone is not only a personal device used to stay connected with friends and family, but also an extension of their personality and individuality (Grant and O'Donohoe, 2007).

Paradoxically, while consumers adopt mobile phones to enhance their private and social lives, marketers see mobile phones as a marketing channel. These two very different perspectives imply that marketers must ensure that their mobile phone marketing strategies are not intrusive. Simply because mobile marketing is a relatively easy and inexpensive way to reach consumers does not mean that consumers want to receive marketing messages and offers on their phones. Therefore, a thorough understanding of why and how consumers may

want to participate in mobile marketing could help in developing successful mobile

marketing strategies (Persaud and Azhar, 2012).

Mobile marketing is still in its early stages, and mobile marketing practices will likely go

through fundamental changes as the technology continues to evolve. Research on mobile

marketing is also in its early stages, but the literature is growing (Karjaluoto *et al*. 2008).

1.1 Research Objectives
The objective of this study is to identify the main methods of mobile marketing used by

companies, measure the amount of contact received by customers by companies, determine

the customers perceptions of mobile marketing and determine how mobile marketing

contributes to customer loyalty, putting together a list of recommendations for companies to

use while implementing or considering a mobile strategy.

1.2 Value of the Study
The area of mobile marketing is of particular interest to the researcher because the marketing

tool provides direct contact. Through direct contact the researcher has knowledge of the

various tools used by business, to be used for the purpose of retaining customers and building

customer loyalty.

1.3 Advances in Technology
In recent years, marketing to customers has become increasingly challenging as the number

of available products and services across industries has grown significantly, while at the same

time marketing tactics and customer touch points have proliferated. The continuing

fragmentation of media and information overload has led customers to become less and less

interested in companies' brand messages when delivered through traditional media (Singh *et al.* 2008).

Technology supports the tasks of reaching customers and satisfying specific needs, which increases the demand for more sophisticated models of market segmentation and customisation. Technologies advances influence customer relationship management to the extent that gathering customer information, interacting with customers, and, eventually, building relationships with them become easier (Smith, 2006).

Ramsey (2006), cited by Singh *et al.*(2006) Customers are armed with iPods, TiVo machines, Blackberries, search engines, broadband connections, spam filters, and a variety of other digital technologies, meaning they have gained unprecedented control over the media and content to which they are exposed. As a result, marketers are facing an increasingly complex web of challenges, including media fragmentation, excessive commercial clutter and a growing resistance among customers towards marketing messages of all kinds.
As technology contributes to the acquisition, storage, and analysis of customer data, the trend towards customisation intensifies. Gathering and storing information about customers provides enterprises with precious market knowledge that was hard to conceive of a few decades ago (Roland and Espinoza, 2006).

Information technology increases interaction between the company and the customer, increases market knowledge, and assists segmentation, customisation, and personalisation (Ansari and Mela, 2003, cited by Roland and Espinoza, 2006).

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Roland and Espinoza (2006) acknowledge marketing has entered a new era where mainstream marketing focuses on offering services suited to the customer and on the use of information to build relationships with customers. Advances in information and communication technology impact the way marketing is carried out and the way research is conducted. Marketing practice is centred on the customer now, rather than on the product. Companies are investing in relationships with their customers and offering value to customers through high-quality service.

1.4 Internet

The spread of the internet has changed the way people conduct their daily activities and browsing and reading information online has become an integral part of people's lives. Many consumers now spend more time online than viewing television (Truong *et al*. 2010). The number of people regularly accessing the internet is reported to have grown by 528.1 percent worldwide between 2000 and 2011 (Internet World Stats, 2011).

One of the reasons for the growth of the internet is that many companies combine traditional and online advertising for integrated marketing. As spending on internet advertising continues to rise, advertisers are looking for new avenues to increase advertising effectiveness (Wu *et al*. 2011). Yaveroglu and Donthu (2008) state that effective communication on the internet is becoming increasingly difficult for advertisers due to the increase of clutter on the internet and consumers generally focusing on webpage content as opposed to banner advertising. Important areas of internet advertising growth are display (banner) ads, alternative delivery mechanisms such as ad word placement, search engines,

and email, and rapid growth venues such as blogs and social networks (Goodrich, 2010). Moreover banners are in themselves a form of passive advertising that the internet user is exposed to, without asking and without necessarily engaging in the communication.

In general online advertising inspires greater trust and is perceived as less irritating than advertising in conventional media. Interactivity enables users to adapt the advertisement to their needs, decide whether to read it or not, determine the time spent reading it, access the information immediately and freely choose the page they wish to be displayed (Martín-Santana and Beerli-Palacio, 2012).

1.5 Social Media

The emergence of Internet-based social media has made it possible for one person to communicate with hundreds or even thousands of other people about products and the companies that provide them. The content timing and frequency of the social media-based conversations occurring between consumers are outside manager's control in contrast to traditional integrated marketing communications, whereby a high degree of control was present (Mangold and Faulds, 2009).

In 2010 there were more than five humdred million active users on Facebook. By March 2010, more than ten billion messages, or Tweets, had been sent through Twitter since its launch in 2006. By July, that number had doubled to twenty billion. Clearly, this is where customers are congregating and businesses want to be (Baird and Parasnis, 2011).

Montgomery and Chester (2009), state that adolescents are growing up at the centre of an exploding digital media culture. According to a 2007 survey by the Pew Internet and

American Life Project, night three percent of teens use the Internet, and more of them than ever are treating it as a venue for social interaction'. In many ways, teenagers are the defining users of this new culture, avidly embracing an expanding array of Web sites and digital devices, and forging a new set of cultural practices that are quickly moving into the mainstream.

1.6 Mobile phone marketing
The researcher has focused on mobile technology and how the marketing tool can build customer relationships thus creating customer loyalty.

Research conducted by Behaviour and Attitudes and Return to Sender in June 2011 found three-quarters of a million Irish adults now own a Smartphone an increase of over one hundred thousand users in just nine months. Approximately five million apps had been downloaded in Ireland by June, 2011. People are most receptive to mobile advertising based on location, as well as advertising via MMS, SMS and branded apps. Interest in SMS advertising has declined, but has increased significantly for branded apps. These figures suggest there is enormous potential for mobile phone advertising in the future, with well over a million people at least open to most of the main mobile advertising channels.

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Chapter Two- Literature Review

2.1 Introduction

Research conducted for the literature was gathered from academic journals, books and through the World Wide Web. The researcher aspired to gather academic information post 2006 in order to gain an up to date view of literature available in the two areas of CRM and mobile marketing.

The literature commences with brief description of CRM and vital components within CRM. The literature follows with mobile marketing and how it is defined. A clear link is established between CRM and mobile marketing and how the two areas complement each other. Various methods of mobile marketing available to companies are addressed, giving a brief description of each method.

There is however limited literature which coincides with popular methods of mobile marketing used by companies to build customer loyalty.

2.2 Customer Relationship Marketing

According to Ryals (2001) Relationship marketing is concerned with how organisations manage and improve their relationships with customers for long-term profitability. Xu *et al*. (2002) says the focus of CRM increased companies' abilities to understand the customers' current needs, what they have done in the past, and what they plan to do in the future to meet their own objectives. The goal is to improve the customer's experience of how they interact with us, which hopefully, in turn, creates more satisfaction, which yields more loyalty, which, ideally, yields more sales of products and services. CRM, which is becoming a topic of increasing importance in marketing, is concerned with using information technology (IT) in implementing relationship marketing strategies. Namazi (2011) describes mobile marketing

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as a promotional activity designed to enhance the experience of mobile phone users. For businesses, it can be used to build brand awareness, develop a customer database, drive attendance of events, improve customer loyalty and even to increase revenue through the creation of applications that users are willing to pay for.

Building relationships is how you relate to and communicate with people. Relationships with others have been used from time immemorial to cope with the complexity of everyday life. Relationship marketing is one of the oldest approaches to marketing, yet one of the least understood (Zineldin and Philipson, 2007).

Customer Loyalty
It is said that the key factor of customer loyalty is customer satisfaction (Donaldson and O'Toole, 2007). Therefore, companies are struggling to sense, serve, and satisfy the needs of their customers by delivering high quality and value for them (Kotler and Armstrong, 2010) which leads to a high level of customer satisfaction and later loyal customers.

Researchers suggest that customer loyalty can be approached in two different perspectives (Amarsanaa and Anjorin, 2012). These are 'attitude' which involves the individuals' feelings informing their attachment to products, services or the organisation as a whole; and 'behavioural' loyalty involving repeated purchases, expanded purchases, and recommendations.

One of the factors that influence customer loyalty is customer satisfaction. How good of a relationship a firm and its customers have does not matter if the customers are not satisfied with the products and services they receive (Amarsanaa and Anjorin, 2012). Thus, customer's

being loyal for the company is related to satisfaction. Customer satisfaction is determined by a gap between customers' expectation and perception of goods and services (Gilmore and McMullan, 2009). If a customer is satisfied and even delighted with the services and products that he/she received, there is a better chance of the customer returning (Amarsanaa and Anjorin, 2012).

In order to judge whether mobile marketing can aid customer satisfaction, which in turn would lead to customer loyalty, we might first consider if there is any relationship between mobile marketing and customer satisfaction (Goode *et al.* 2005, cited by Amarsanaa and Anjorin, 2012). The answer might be approached by considering what is obtainable in the marketplace, although it might be challenging to measure satisfaction in absolute terms (Gilmore and McMullan, 2009).

We can reiterate that the closest device to human beings today is the mobile phone and marketers in every industry have since been leveraging on this (Chen, Hsieh, P.T. *et al.* 2009, cited by Amarsanaa and Anjorin, 2012). An algorithm could be that since the mobile phone is the closest device to individuals; satisfaction comes from fruitful relationship with customers; and communication is key to any successful relationship; then it can be argued that reaching customers via their mobile phone can ultimately bring some form of satisfaction (Chen, Hsieh, P.T. *et al*. 2009 cited by Amarsanaa and Anjorin, 2012).

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Mobile CRM

Providing customers with interactive channels that offers instant answers to questions and solutions to problems, has great potential (Valsecchi *et al*, 2007), especially after close-of-business hours. Mobile CRM can offer this service. According to Gudonaviciene and Rutelione (2009), CRM facilitates creations and retention of the strong and long term relationship with customers; thus it is a step further in relationship marketing which leverages on the mobile telephone technology to create value and satisfy the diverse needs of the customer.

Level of Contact with Customers

Katsioloudes *et al.* (2007) conveys the roles which companies play when dealing with customers have been transformed by CRM. Yet, with constant change in the business environment, many companies have remained "behind the curve" in recognising that it is the customer who is now "setting the pace". Stone (2000, p29-38) says customers are reasonable; many are quite realistic about the relationship you are constrained by resources, technology and the problems of managing change. In analysing your customers' views about their relationships with companies, companies must understand that the period during which your customers consider themselves to be in a relationship with you may be quite long. Opportunities to strengthen this relationship occur throughout this period, particularly just before, during and immediately after your transactions with them. In their relationship with you, your customers may distinguish between major contact episodes and less important ones.

Stone (2000, p29-38) defines level of relationship to include:

- The media by means of which the contact takes place, i.e. mail, telephone, face-to-face encounters and so on;

- The frequency of contacts - timing may be an important element here;

- Who each contact is with - which part of your organisation, which individual and so on;

- The scope of each contact - what subjects are covered;

- The information exchanged in each contact;

- The outcomes of each contact - that is, the next steps for both the customer and yourself;

- The cost of each contact to the customer - not just in terms of money, but in time and stress involved.

In most cases, customers have an idea about the minimum acceptable relationship and the desired level of contact. If customers already have experience of dealing with you, there may also be a perceived level - the level they perceive they receive (Stone 2000, p29-38). Effective and efficient communications in face-to-face contacts, by phone, internet or other interactive media will allow the organisation to improve its accessibility to customers and its understanding of their needs and wants (Peelen *et al.* 2006). Stone (2000, p29-38) states it is equally important to not be providing too much contact. Some customers may have threshold levels of satisfaction and dissatisfaction.

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Customer value is the bundle of benefits customers perceive from a given relationship in both economic and psychological terms (Ravald and Gronroos, 1996; Gwinner *et al.*, 1998, cited by Chung and Yung, 2003). Consistent communication between customers and firms creates an emotional tie between the customer and the firm by reducing perceived risks and increasing stability of the customer's future exchange with the firm.

Perceptions of Mobile Marketing
According to Persaud and Azhar (2012), the perceived value of mobile marketing, especially location-based marketing (LBM), is that marketing information and offers target consumers personally and within their shopping context, such as when a coupon is sent to consumers via Bluetooth as they enter a store. The ability of consumers to receive marketing messages and offers at any time and based on their location not only reduces their search costs, but also increases their shopping efficiency while perhaps saving them money through discounts or promotions. The convenience, savings, and value of the information received may influence consumers' perceptions of what they are receiving relative to what they have to give up, which is their privacy when giving permission to receive marketing messages on their mobile phones.

However, marketing information and offers sent to consumers simply based on their location that they find irrelevant may cause these consumers to think such marketing efforts are annoying and valueless. Ensuring that consumers get relevant, in-context, useful marketing information and offers based on their location is a key challenge of value-based mobile marketing (Persaud and Azhar, 2012).

In addition, there is a strong and consistent relationship between perceived value and purchase intention. Essentially, in a mobile marketing context, if consumers perceive that the value they are getting from participating in mobile marketing is high, they will be more inclined to engage in mobile marketing. Conversely, if they perceive that the value is too low, annoying, or intrusive, then they may decide to avoid mobile marketing since they may conclude it is not worth the effort (Persaud and Azhar, 2012).

2.3 Mobile Marketing
Shankar and Balasubramanian (2009) define mobile marketing as the two-way or multi-way communication and promotion of an offer between a firm and its customers using a mobile medium, device, or technology. Because it involves two-way or multi-way communication, mobile marketing is primarily interactive in nature, and could include mobile advertising, promotion, customer support, and other relationship-building activities. Such interactive marketing activities are becoming increasingly important in the changing business landscape. According to Tetere (2011) Mobile marketing is a fast growing industry and is gradually starting to transform the marketing world, which implies terms like Smartphone, location-based services or mobile Internet.

Sultan and Rohm (2005) cited by Leppäniemi (2008) suggest that mobile devices allow marketers to deliver personalised, context- and LBM to a specific target audience. For this reason, prior research has mainly focused on permission-based (i.e. push-based) mobile advertising. Permission-based mobile advertising can be defined as a message (e.g. SMS and MMS) that has been requested by the consumer as part of an opt-in scheme (e.g. a consumer fills in their mobile phone number on a regular customer registration form and agrees to receive commercial messages and information of interest).

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Permission-based advertising messages are powerful because by signing up to an opt-in list, the consumer is requesting the messages from the advertiser rather than simply being exposed to it. Therefore, as suggested by Martin *et al.* (2003) cited by Leppäniemi (2008), advertisers can gain better value for their money as the message recipients have already indicated a level of interest in the messages.

Besides the permission-based mobile advertising, marketers are increasingly engaging in call-to-action / direct-response (pull-based) mobile advertising. That is, a customer sending an SMS in response to a call-to-action, the most used forms of direct-response mobile advertising is the Text 'n' Win promotion which is one usually advertised on a packages such as, food products, and the customer is invited to send a SMS into a short code for a chance to win a prize (Leppäniemi, 2008).

According to Shankar *et al.*(2010) the mobility and the personal nature of the mobile device distinguishes it from other electronic devices such as the television (TV) and the personal computer (PC) and other channels, with important implications for retailers. Unlike TV and PC, mobile device is a constant companion to the consumer. It is regarded as a personal accessory, is generally not shared, and potentially acts as a gateway to an intimate relationship between the consumer and the retailer. Furthermore, because the device is portable, it is an ideal supplementary channel for virtual e-tailing as well as physical retailing.

Retailers can push sales promotions or fulfilment updates to consumers through the mobile channel for the consumers to access instantly. In the traditional channel, a bricks-and-mortar

retailer can interact with a potential customer only when the customer is in the vicinity of the store. In the mobile channel, the retailer can interact with the customer everywhere, enabling the retailer to constantly enter the customer's environment.

Mobile Phones Supporting Customer Relationships
The mobile phone is one of a handful of consumer products to have gained global acceptance within a relatively short period of time (Barnes and Scornavacca, 2004).

Mobile businesses are opening up new marketing and CRM opportunities because they can provide two-way interactive communications which are location specific and highly personalised (ThaeMin, 2007). Mobile phones have shown to be very personal devices which may provide firms with unrivalled possibilities to build and maintain one-to-one relationships with their customers, combined with a set of unique features such as ubiquity, constant reach ability, personalisation, and localisation (Camponovo *et al*., 2005; Siau *et al*., 2003, cited by ThaeMin, 2007).

One-to-one Marketing, addresses customers individually, is well established in marketing and plays a central role in CRM. Although it can be expensive and time consuming to gather individual customer interests, customised information treats each individual uniquely. Mobile media incorporate interactivity and transcend traditional communication, allowing for one-to-one, many-to-many and mass communication models (Dickinger *et al., 2004)*.

Permission Based Marketing
Neumann (2005) states the concept of "permission marketing" addresses the widespread problem of spam in new media communication by demanding the explicit agreement of the addressee to receive marketing information. This approach recognises that the majority of

anonymous mass advertising is despised by consumers leading them to reject the messages (Godin, 2001) cited by Neumann (2005).

Additionally, mobile marketing also requires the customer to provide personal data to the marketer, so that the full benefits of mobile marketing can be put into use. Such personal data may include demographic and location information. The more companies can utilise various kinds of customer data, the more personalised, relevant and effective their mobile marketing is likely to be (Jayawardhena *et al*. 2009). Given this background, a question arises: how do organisations gain permission from consumers so that mobile marketing can become an effective marketing tool? More specifically, what are the factors that influence consumers to subscribe to permission-based mobile marketing?

Permission is the commencement of two-way mobile communications between the customer and the mobile marketer. In other words, permission can be understood as the dynamic boundary produced by the combination of one's personal preferences (Jayawardhena *et al*. 2009). These preferences include, for example personalisation of messages in terms of time, location and information content. Within Europe, marketers are required to seek consumer consent to be a part of any mobile marketing program. In short, without the explicit permission from the customer it is not possible to carry out mobile marketing (Kautonen *et al.*, 2007). Seeking a customer's prior permission to send marketing messages via electronic channels such as mobile is called opt-in mobile marketing.

Uses of Mobiles as Effective Marketing Tools
Information is paramount for the customer and having the right information, at the right time and in the right format could have a positive impact on the customer (Chen *et al.* 2009).

Though there is a risk of giving the customer too much information which may or may not be really useful for them, it is still of great importance that customer have access to and are given the opportunity to have the right to timely information. (Chen *et al.* 2009).

Wireless marketing helps to effectively obtain targeted and tailored messages to customers, which fosters customer-business relationship (Amarsanaa and Anjorin, 2012). Mobile devices increase the possibility, speed and frequency of sending marketing messages to customers (Scharl *et al.* 2005). Although it might be somewhat challenging to measure the effectiveness as organisations could lack the tool to measure the effectiveness of mobile marketing, as the mobile marketing research is believed to still be in its experimental stage researchers have attempted to measure the effectiveness of mobile marketing (Scharl *et al.* 2005).

Customers show their willingness to receive mobile message could suggest a possibility of interest and they would keep accepting the message if they are not intrusive, relevant and offer tangible benefit (Hosseini and Ph, 2001, cited by Amarsanaa and Anjorin, 2012).

Various Types of Mobile Marketing

SMS and MMS
Companies use SMS for advertising and communication purposes through SMS, which can also work in both directions. Companies can send messages to a network of mobile users all at once, or on an individual basis, while the company can also receive SMS from their customers, usually opting to participate in a marketing and sales campaign.

MMS marketing is similar to SMS marketing but allows users to send picture messages, videos, or audio (Mobile Marketing Trends, 2012)

Marketers have discovered a chance to advertise their products via SMS/MMS. The marketers hope that this method, also known as wireless advertisement through SMS and MMS, will effectively and efficiently promote their products or services (Nattharika *et al.* 2009).

However, it seems that their strategies of message receivers are quite random and convenience-based. Because of the relatively low cost to advertise via SMS and MMS, companies now send their advertisements to the mass market without considering the receivers' personal details. As a result, most people tend to be irritated and annoyed by these careless marketing tactics (Nattharika *et al.* 2009).

Dickinger *et al.* (2005) model of success factors for SMS marketing is divided into two categories: the message and the media. Message factors include: message content, which consumer willingness to give permission to receive advertisement were: message relevance (e.g. message fit and advertiser attractiveness), and special offers; personalisation according to time (i.e. time of day and frequency of advertisements), location (including real-time location-specific offers) and consumers' preferences; and consumer control, permission and privacy, which has been identified as the strongest negative influence on consumer attitudes toward SMS advertising. Factors that influence attitude toward direct marketing most are the volume of advertisements and past direct experience. Media factors include issues regarding the device, transmission, product fit (the media appears to better suit low budget items, young

people and services rather than goods), and media cost (which suggests that the medium is cheaper and more effective than other alternatives) (Nattharika *et al.* 2009).

If we could better understand what affects consumers' willingness to give permission this may better equip practitioners to approach this sensitive issue; marketers, managers and advertising companies may be able to offer better services to consumers and increase their competitiveness while consumers will benefit from tailored services that specifically answer their needs and requirements (Bamba and Barnes, 2006).

Mobile advertising has typically been categorised into push- and pull-models (Barnes *et al.* 2005). Within the pull-model campaign the marketer sends the information requested by the consumer; whereas in the push-model campaign, the marketer takes the initiative to send messages to the consumer. The latter model includes much of SMS advertising and raises the issue of consumers' permission, since it is the marketer that initiates contact and communication. This approach can considerably reduce individuals' privacy concerns; it can act as a trust-building alternative to more effective information control. Unfortunately, some marketers manipulate consumers' inattention and cognitive laziness to get their consent (Bamba and Barnes, 2006).

According to Bamba and Barnes (2006) there are six ways of using SMS for advertising: brand building, special offers, timely media 'teasers', competitions, polls/voting, products, services and information requests. SMS ads have been found to boost consumers' inclination to purchase by 36%, which partly explains its growing popularity among marketers. SMS

campaigns also deliver a 15% response rate, which they estimate is twice as much as direct mail or e-mail campaigns; apparently SMS are 50% more successful at building brand awareness than TV and 130% more than radio.

Bluetooth
Idwan *et al.* (2008) states Bluetooth is an industrial specification for wireless Personal Area Networks that provides a way to connect and exchange information between devices, such as mobile phones, laptops, PCs, printers and digital cameras via a secure, low-cost and globally unlicensed short-range radio frequency. A Bluetooth-enabled device uses a radio communication system, so they do not have to be in line of sight of each other, and can even be in other rooms depending on the power class of the product (Idwan *et al.* 2008).

Many mobile phones now incorporate Bluetooth technology. This technology allows Bluetooth enabled electronic devices to connect and communicate with each other wirelessly through short-range, ad hoc networks known as "piconets". Increasingly, we are seeing Bluetooth technology being used for the purposes of direct marketing (Marchini and Tebbutt, 2007).

According to Maunder *et al.* (2007) the main problem lies in pairing devices. Core to the Bluetooth protocol is the notion that some sort of identification must take place before devices can select and share information. This takes the form of a pairing process, by which the systems (in our case the public display and cellular handset) must exchange a personal identification number (PIN) code. For public displays where many people may wish to swap

information simultaneously, this scheme becomes unworkable. No solution should therefore require pairing of devices.

If pairing is to be overcome, then one solution is to use Bluecasting, whereby a server sends information to every suitably configured Bluetooth device which comes within range. However, this approach is irritating for users who neither initiate the communication nor have choice over what they receive.

Mobile Web

Kroski (2008) defines the mobile Web as the World Wide Web which is accessed through a mobile device ranging from a mobile phone to an iPod Touch. It constitutes the entirety of the internet and is not limited to websites which have specifically designed for mobile viewing. Handsets and mobile phones which have Web capabilities can search and browse the internet from anywhere they can get a phone signal.

Kroski (2008) says websites which are made especially for the small screen appear as scaled back versions of their desktop counterparts. Web destinations which do not have mobile versions appear as if they were squeezed onto a tiny screen and often sometimes have overlapping menus and links. If accessed by way of a search engine, a website may be trans-coded, or have some formatting applied to it in an attempt to make it viewable on a phone.

According to Gartner (2010), the total number of PCs in use will reach 1.78 billion units in 2013. By 2013, the combined installed base of Smartphone's and browser-equipped enhanced

phones will exceed 1.82 billion units and will be greater than the installed base for PCs thereafter.

Mobile Web users are typically prepared to make fewer clicks on a website than users accessing sites from a PC. Although a growing number of websites and Web-based applications offer support for small-form-factor mobile devices, many still do not. Websites not optimised for the smaller-screen formats will become a market barrier for their owners-much content and many sites will need to be reformatted /rebuilt (Gartner, 2010).

Mobile Website

For many years, website developers made extensive use of Flash for the sophisticated motion and animation effects it can create. Flash was and is pervasive throughout the Web. However, Flash does not work on Apples iPhone's and iPad's, and works only sporadically on other popular mobile platforms. As such, many mobile users simply can't see images, video or even navigation buttons that are programmed with Flash (Yeh and Fontenelle, 2012).

However, having a standard website ignores the context in which mobile users are operating. There is a decent chance that if someone is accessing your website via a BlackBerry or iPhone, they are looking up a quick phone number, email address or directions for example (Yeh and Fontenelle, 2012).

A mobile website is similar to any other website in that it consists of browser-based hypertext mark-up language (HTML) pages that are linked together and accessed over the Internet (for mobile typically Wi-Fi or 3G or 4G networks). The obvious characteristic that distinguishes a mobile website from a standard website is the fact that it is designed for the smaller handheld display and touch-screen interface (Human Service Solutions, 2011).

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Like any website, mobile websites can display text content, data, images and video. They can also access mobile-specific features such as click-to-call (to dial a phone number) or location-based mapping (Human Service Solutions, 2011).

Location Based Service
A location-based service (LBS) is one that allows an advertiser to send advertisements or other information to a mobile device based on its physical location. Location based services are offered by cell phone networks which are able to track the general location of a mobile phone user through the process of triangulation. If the mobile phone user has their Global position services (GPS) system turned on, that will also serve to identify their location in a much more specific way. Once the network is able to find out where the user is, the advertiser can send out an ad-based on that location (Mobile Marketing Trends, 2012).

A survey conducted by Púca (2011) found almost 75% of Smartphone users are willing to share their location with a brand via location enabled marketing under certain conditions. It depends on how much the customer trusts the brand, whether the data is secure and if they receive a voucher or some other reward in return.

With LBS, advertisers can reach consumers when and where they are most likely to make a purchase and deliver advertising messages contextually through the media on a geographically targeted basis. Some industry analysts predict that LBS messages are expected to create five to ten times' higher click-through rates compared to the internet advertising messages (Xu *et al.* 2009).

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Despite the vast opportunities offered by LBS, many merchants and consumers are still sceptical about the idea. Besides the overarching concerns of location information privacy, another important impeding factor is the effectiveness of the mobile media. Compared to the TV and the internet media, mobile devices lack the capability to transmit or receive rich multimedia content because they are constrained by the bandwidth of wireless communication networks and the size of the mobile phone screen (Xu *et al.* 2009).

LBS can be viewed as a part of a larger form of LBS that utilise geographical positioning information to provide users with pervasive flexibility to be uniquely reachable and to access networks and services while on the move. The mechanisms of LBS content delivery can be either pull or push (Bruner II and Kumar, 2007).

In pull-based LBS, consumers request for some information or use some service on a one-time basis and in the process are exposed to commercial messages. This type of LBS may be seen in some 'on demand' services where the consumer dials or signals a service provider for specific information/service such as the nearest Auto-Teller Machine (ATM) or Starbucks store.

The other approach to LBS is called push-based LBS and it amounts to the marketer working with the carriers and delivery networks to send advertisements to the users based on the tracking of the device's location (Bruner II and Kumar, 2007). This type of LBS may include sending advertisements to users based on their known proximity to a store or service centre

via a wireless device. In the push-based approach, location information is used to target users and they are sent related advertisements when they get within the vicinity of the merchants.

Banner ads

Pop-up advertisements are seen with high-traffic websites. When the user clicks on pop-up, separate webpage is opened. Banner advertisements are seen in the form of a rectangular banner. When the user clicks on the banner, they are navigated to a separate window. Banner and pop-up advertisements may contain attractive audio-visual graphics and animations (Mehta *et al.* 2010).

Due to negative reaction from Web users to the disruptive nature of pop-up ads, pop-under ads were developed (Zhang *et al.* 2008). Pop-under ads are designed to be less obtrusive than pop-ups, but they are still considered a nuisance by most. Today most Web browsers block pop-up and pop-under ads by default due to their disruptive nature. However, advertising companies continue to develop new ways around pop-up blockers using JavaScript and Flash.

Much controversy surrounds the effectiveness of pop-up, pop-under and banner ads. Although users find pop-up ads irritable click-through rates for pop-up ads were almost twice as high as banner ads. As a result they remain an enticing mechanism for advertisers. Other studies suggest that the relevance of the ad plays a great deal on the click through rate as well as the rate for which people find the ad annoying (Zhang *et al.* 2008).

In-game marketing is increasingly common with the rise in popularity of online games. One of the more common uses for in-game marketing is to provide relevant advertisements to a target population. For example, car companies often place in-game advertisements as banners

in car racing games to advertise their brand or a specific car. This looks like it is part of the game, but the placement has been paid for (Carol, 2011).

Mobile Applications
Apps are actual applications that are downloaded and installed on your mobile device, rather than being rendered within a browser. Users visit device-specific portals such as Apple's App Store, Android Market, or Blackberry App World in order to find and download apps for a given operating system. The app may pull content and data from the Internet, in similar fashion to a website, or it may download the content so that it can be accessed without an Internet connection (Human Service Solutions, 2011).

According to the Mobile Marketing Association (2008) mobile applications are a rapidly developing segment of the global mobile market. They consist of software that runs on a mobile device and performs certain tasks for the user of the mobile phone. Mobile applications are common on most phones, including inexpensive entry-level-models. Their wide use is due to the many functions they perform, including providing user interfaces for basic telephony and messaging services, as well as advanced services such as games and videos.

Mobile applications typically use the mobile phones capabilities, such as its camera, GPS and three dimensional (3D) graphics. These capabilities provide additional opportunities for ad campaigns. For example, if the campaign creators know that a significant percentage of the target population owns handsets with GPS, the ads could use locations information as part of the call to action (Mobile Marketing Association, 2008).

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Quick Response Codes

Robinson (2010) explains a QR (Quick Response) code as a two dimensional bar code that can be read on devices such as mobile camera phone, a laptop or other computers. When it is scanned, it allows the user to undertake an action such as reading a text, accessing a website or texting a number. In other words, a QR code links the physical world (poster, printout, room, physical object) to the electronic (web resource) and facilitates communication (SMS, phone call), adding a significant value by improving accessibility to information for those using mobile devices.

Connecting with consumers at a higher level by integrating QR codes into point-of-purchase (POP) materials is fast changing the way marketers in all industries create campaigns. Larkin (2010) outlines the specific benefits beverage manufacturers and distributors can experience by integrating QR codes into their marketing campaigns to include:

- Greater level of connectivity with consumer:

QR codes allow for a level of connectivity with the consumer that is not available in traditional ads or other marketing pieces. For example, a tequila manufacturer may include a QR code on its point of purchase (POP) materials so that when the customer scans the code with a Smartphone, they are taken to a website containing drink recipes using the tequila, or a site listing various food items which would complement those drinks. This increased consumer engagement and ability to connect with consumers on a deeper level can help strengthen the dedication to that particular brand.

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- Advanced traceability and tracking options:

The growing interest in QR codes has prompted the development of various software programs designed to track the individual code. Using these software options, it is possible for a brand manufacturer or retailer to know the number of scans per day, what time those scans took place, the type of device being used to scan the code and even the location each scan took place. This knowledge can then help businesses see what's selling and what's not in retailers and allow them to make educated choices regarding the placement of products.

- Gauge consumer interest at quicker rates:

QR codes allow companies to connect with consumers in real-time and gauge interest in a particular product or campaign immediately. For example, a wine manufacturer could integrate a QR code onto a promotional poster announcing a contest to win tickets to a local wine tasting. By monitoring how many consumers scan the code and enter the contest, the manufacturer has access to real-time feedback on how well the campaign is being received by the consumer.

QR codes can serve as a bridge between POP displays and a brand's mobile campaigns. The display becomes an interactive experience for the consumer and delivers relevant content immediately. Additionally, the visually enticing appearance of a QR code integrated into displays and signage has the ability to spark curiosity, making the consumer stop and take notice of the promotional materials while in-store. That, in itself may be one of the biggest benefits of all (Larkin (2010).

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Summary

In order for companies to build customer relationships it is important to keep in contact with their customers, opportunities to strengthen this relationship occur just before, during and immediately after your transaction with them, by asking customers to sign up to your companies SMS campaign or getting the customer to scan a QR code to download the companies app will aid relationship building.

The level of the relationship will depend on the frequency of the messages delivered, the media which is used, scope of the contact, information exchanged and the outcomes of each contact. Companies must be aware that their customers have an idea about the minimum acceptable relationship and the desired level. Effective and efficient communication will allow the organisation to improve its understanding of their customers' needs and wants.

Companies must understand mobile phones are a very personal device which may provide firms with unrivalled possibilities to build and maintain one-to-one relationships with their customers. Choosing the correct mobile marketing tool is crucial, and the management of the mobile marketing tools chosen is vital to building good customer relationships, if it's providing extra information through QR codes or making browsing the company's website easier through a mobile ready website.

Companies bombarding their customers with SMS, pushing messages through LBM with information customers are not interested in or have not signed up to can have a negative effect on the customers and may damage relationship already established.

Chapter Three- Methodology

The following chapter describes and justifies the primary research methods adopted to collect

information showing the effectiveness of mobile marketing as a tool to building customer

loyalty.

3.1 Primary Research Objectives

Research Question:

The aim of this piece of research is to examine the effectiveness of mobile marketing on

customer loyalty and to ascertain methods of improving the implementation of mobile

marketing.

Research Sub-Objectives:

The dissertation will also identify the perceptions of mobile phone users regarding mobile

marketing, and their willingness to partake in mobile marketing campaigns.

1) To identify the main methods of mobile marketing used by companies

2) To determine the amount of contact 'pushed' on customers by companies

3) To determine customers perceptions of mobile marketing

4) To determine how mobile marketing contributes to customer loyalty

3.2 Data Collection Method

The researcher has conducted two phases of research using qualitative and quantitative

methods. As Creswell (2003, p.17) states 'multiple forms of data draw on all possibilities'

reducing the chance of leaving out valuable information.

Research objectives 1 and 2 have been addressed in phase 1 of the research using qualitative

research with some overlap with phase 2 using quantitative research, and results from both

phases were analysed and compared. The remaining objectives 3 and 4 have been addressed

within phase 2.

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3.2.1 Phase 1-Exploatory Research:

Phase one consisted of semi-structured, in-depth interviews. The researcher choose this method over focus groups as it was felt information obtained may be of a sensitive nature and the individual may be given a chance to air their views as they can be overshadowed by the empowerment of others. It was also decided against, as not all companies interviewed, may have not used the same mobile marketing tools.

All interviews were conducted face-to-face within the respondent's place of work and recorded with the aid of a Dictaphone.

3.2.2 Phase 2- Descriptive Research:

The second stage of research conducted consisted of a survey which was distributed to 100 respondents. The questions were designed around the findings from the in-depth interviews and the research objectives.

A well designed survey is an invaluable tool in gathering the necessary information and enables large scale collection of data with minimal input required from the person distributing them (Malhotra, 2010). The researcher decided to use face to face street surveys as it eliminates bias, is time and cost effective, and is relatively simplicity of coding, analysis and interpretation of data collected (Malhotra, 2010).

The researcher was able to reduce the misinterpretation of the questions by aiding respondents, thus limiting errors (Saunders *et al.* 2007).

3.3 Measurement Techniques

Data collection methods were pilot-tested to minimise response errors (Malhotra, 2010).

Pilot-tests for the interviews were carried out with a company who uses a form of mobile

marketing, while pilot-tests for the surveys were carried out with a member of each age category in the questionnaire.

3.3.1 Exploratory Research: Semi-Structured In-Depth Interviews

Interviews consisted of a series of open-ended questions to probe and encourage extensive and meaningful responses. The interviews were recorded with a Dictaphone in order to keep the conversation flowing. The researcher was aware of the extensive time need to transcribe the data but understood the valuable information which could be uncovered.

The first interview was conducted with the industry expert, a company who offers mobile marketing services to companies, followed with interviews conducted with companies who use a form of mobile marketing. For this reason the questions asked differed slightly from the industry expert and companies interviewed.

Industry Expert:
Question one was asked to identify the main methods of mobile marketing used by companies *(objective one)*. Question two *(objective two)* was asked to determine the amount of contact 'pushed' on customers by companies. Question three was asked to determine the perceptions of mobile marketing *(objective three)* and question four was asked to determine how mobile marketing contributes to customer loyalty.

(For full interview theme sheets, see appendix 1)

Companies who use Mobile Marketing:

Questions one, two and three were asked to gain an insight into the companies' knowledge of mobile marketing. Question four was asked to identify the most popular methods of mobile marketing *(objective one)*. Question five (*objective two)* was asked to measure how much contact the companies 'pushed' on their customers. Question six was asked to determine the companies perceptions and their customers perceptions are of mobile marketing *(objective three)* and question seven was asked to determine if mobile marketing tools used by the companies contribute to customer loyalty *(objective four).*

(For full interview theme sheets, see appendix 2)

3.3.2 Descriptive Research: Questionnaire

Questionnaires were decided upon for the second stage of data collection. On street surveys were distributed and were designed to be attractive, easily understood and short in order gain the sample target of 100 surveys.

Combinations of structured and multi-choice questions were used to allow respondents to express their views in relation to specific matters. The questionnaire was standardised for all respondents.

Questions one to three were qualifying questions and were aimed to uncover the respondent's gender, age category and to uncover if the respondent owned one or more mobile phones. The questions were general in nature and easy to answerer. Question one was a nominal dichotomous scale, a two answer scale and question two and three are nominal multichotomous scales where the respondent has a number of answers to choose from.

Question four was nominal dichotomous scale which was asked to determine the capabilities of the respondent's mobile phones and to determine if the capabilities of the mobile phones were linked to age and gender.

Question five was a multiple-choice question *(objective three)*, which was asked in order to identify the respondents awareness of all the mobile marketing tools listed. The option of "other" was given to respondents to include more mobile marketing tools companies have used to contact them. Grover and Vriens (2006) state that an "other, please specify" category should be included where it is considered appropriate.

Question six, a nominal dichotomous scale was used to identify if respondents were willing to provide their mobile numbers for companies to contact them, which will affect customer loyalty if the contact was pushed by companies *(objective two and three)*.

Question seven determines the main methods of mobile marketing used by companies and the amount of contact pushed by companies *(objective one and two)* aided by multi-choice answers.

Question eight *(objective three)* a Likert scale used to identify the level of agreement/disagreement with a number of statements to uncover the mobile marketing tools used/received by the respondents.

Question nine, ten and eleven are multi-choice questions, which *(objective three)* identifies the respondents ideal contact episodes from companies based on three categories, times, and days in which the respondents would prefer companies to make contact with them or if respondents would prefer not to be contacted at all. The various options gives respondents the choice of what they would like to receive and when.

Question twelve a Likert itemised rating scale was used. Respondents were provided with a scale containing a short statement. Respondents were required to select the specific category which best described their opinion. The scale had five response categories ranging from "strongly agree" to "strongly disagree" as recommended Stevens *et al.* (2005). Respondents were also provided with a N/A option for respondents who did not own a Smartphone or were unfamiliar with the mobile marketing tool. Question twelve answered objectives two, three and four.

(For full questionnaire, see appendix 3)

3.4 Sampling
According to Malhotra (2010) a sample is defined as the people who provide the relevant information to answer the research objectives. The following stage describes the sampling strategy used.

3.4.1 Phase 1-Explority Research

Target Population: The target population were companies who use one or more forms of

mobile marketing to interact with their customers.

Sampling Frame: Due to the nature of the target population, no comprehensive sampling

frame was available therefore all companies who used a form of mobile marketing were

potential candidates. The researcher used their own judgement in selecting the companies.

Sampling Method: Non-probability sampling, which relies on the judgement of the

researcher, was used to select the interviewees. This method is suitable for research that does

not have a comprehensive sampling frame (Malhotra, 2010).

Sampling Technique: Judgement sampling was used to select participants for the interviews.

Judgement sampling is a form of convince sampling in which the population elements are

selected based on the judgement of the researcher. The researcher, exercising judgement or

expertise, chooses the elements to be included in the sample, because he or she believes that

they are representative of the population of interest or are otherwise appropriate (Malhotra,

2010).

Sample Size: One interview was conducted with an industry expert, who provides mobile

marketing services to companies both nationally and internationally. The interview with the

industry expert was conducted first to explore the various areas of mobile marketing. Five

interviews were conducted with companies who use one or more forms of mobile marketing. The numbers of interviews derived at were based on past research conducted by Rush (2011).

All 6 interviewees were asked to sign a consent letter allowing the interview to be recorded and findings from the interview to be used for research; it was stated to the interviewees that information gathered will not be forwarded on to a third party and will be treated with strict confidentiality.

3.4.2 Phase 2-Descriptive Research

The researcher initially decided to conduct quantitative research through a mobile phone. However, due to the researcher finding no past research conducted through a mobile phone, the researcher decided against this method, as well as the drawback that using mobile phones would restrict the questionnaire to only being sent to owners of Smartphone's. Past research conducted by Gurau and Ranchhod (2009) and Bouwman *et al.* (2008) in the area of mobile marketing used self-administered surveys. Due to data protection legislation and privacy issues a comprehensive list of recipients' of mobile marketing from companies is unavailable. An online questionnaire was also decided against, due to an extremely low response rate obtained in previous research carried out by the researcher.

Target Population: The target population can be defined as: males and females over the age of 18, who are users of mobile phones in County Mayo. 1 county was selected based on past research conducted by Rushe (2011). To target the intended population, the survey will be distributed outside Ballina shopping centre and 4 mobile phone shops in Ballina.

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Sampling Frame: Due to the large size of the target population, a frame of every target population, users of mobile phones is unavailable; non-probability method along with statistical information taken from the Central Statistics Office (CSO) was used to determine sampling frame.

Method: Non-probability was chosen as not every element of the target population has a chance of being selected because the inclusion or exclusion of elements in a sample. It is left to the discretion of the researcher as long as they are in line with the sampling frame. The researcher has chosen quota sampling, as it is the most sophisticated non-probability technique.

Sampling Technique: Non-probability quota sampling was used. This method is a two-stage restricted judgemental sampling which consists of developing quotas of population elements, which the sample element selected based on the judgement of the researcher (Malhotra, 2010).

Sample Size: 100 questionnaires were distributed. This figure was based on past research conducted by Rush (2011). This obtained perceptions and attitudes of both genders and eliminated bias. Limitations on time and money had an influence over the sample size (Malhotra, 2010), thus surveys were distributed in the Mayo region.

2006 CSO figures were used to determine quotas from 18 - 61+ age category in county

Mayo. The Population of each age was given, which the researcher broke into age categories.

The total population of 92,870 males and females resident in county was divided into groups

based on a 6 years age difference apart from the over 61 age category to have an equal

amount of representatives in each age category.

50 surveys were dedicated to each sex; the number of surveys distributed to each age

category was determined by calculating the percentage of the overall sex population

dedicated to each age category, and dividing the number of surveys accordingly.

 The percentage was calculated to one decimal place, and that percentage was divided by 2 to

determine the number of surveys per age group (i.e. 50 surveys per 100% equals one survey

for every 2% of the population). The division of these numbers was performed to one decimal

place, leaving figures such as 5.7 surveys for a group.

These figures were then rounded up to no decimal place to determine the number of surveys

for each age group. This presented a problem however in the female category, with the

rounded up figures totalling 51 surveys. Therefore it was decided to provide 5 surveys to the

female 18-24 age group rather than the calculated 6 surveys. This decision was taken as the

figure rounded up to find a whole number for this group was 5.5, and as such this was border-

line between requiring 5 or 6 surveys. This problem was not encountered in any other age

category.

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Table 3.1 *Sampling Frame Quotas for Age and Gender*

	Age Category	Total Population	% of Sex Population	Sample size
Male	18-24	5805	12.4	6
	25-30	4977	10.6	5
	31-36	5103	10.9	6
	37-42	5285	11.3	6
	43-48	5235	11.2	6
	49-54	4987	10.6	5
	55-60	4893	10.4	5
	61+	10604	22.6	11
Female	18-24	5065	11.0	5
	25-30	4624	10.1	5
	31-36	4862	10.6	5
	37-42	5176	11.3	6
	43-48	5143	11.2	6
	49-54	4824	10.5	5
	55-60	4262	9.3	5
	61+	12025	26.2	13
Total		**92870**		**100**

For ethical reasons surveys were not distributed to persons under the age of 18. All respondents were verbally notified that no personal information will be disclosed to any other party.

3.5 Analysis
Analysis of data which was quantitative was undertaken using Excel. The results from each questionnaire were entered into Excel to allow the researcher to analyse each individual question.

Chapter Four- Research Findings

The following chapter presents findings and analysis of both exploratory and descriptive

research.

4.1 Phase 1- Interviews (One Industry Expert and Five companies who use a Mobile Marketing Tool)

Interview-Industry Expert

To identify the main methods of mobile marketing used by companies

It was identified SMS was the main mobile marketing tool used by businesses, with a

growing interest in QR codes, mobile apps and mobile websites. It was stated QR codes have

been around for a number of years, but have not being very successful with smaller

companies and the public as they are unfamiliar with the action needed to take place in order

to decode the QR code.

> 'Business are mostly interested in SMS, it's the bread and butter of our company.
>
> Everyone uses it in Ireland, schools, and businesses'

It was found, businesses are unfamiliar with the differences between mobile websites and

mobile apps and the potential of both tools.

It has been identified that some businesses that use mobile marketing do have a mobile

marketing strategy in place, for example sending SMS once a week. Most companies follow

the trends from other businesses and competitors. Cost of the mobile marketing was

identified as a factor for determining the mobile marketing tools chosen.

To determine the amount of contact 'pushed' on customers by companies

The amount of contact 'pushed' on customers is determined by the business category.

> 'It depends on the business, if it was a furniture place once a month, but if it was a
> butcher once a week, if you send SMS everyday it will highly ineffective'

The time of day SMS are to be sent also depends of the business category. The morning was deemed to be the most effective time for SMS to be sent, when people are on their work brakes and can respond to call to actions, and in the evening when business are closed was deemed ineffective.

Limiting SMS campaigns to one message, making the text short and snappy was advised to maintain the customer's attention. Including offers decrease the rate of opt outs.

To determine customers perceptions of mobile marketing

Due to bad experiences in the past, customers have a negative image towards mobile marketing. These bad experiences include repeat messages and receiving SMS at inappropriate hours, whereas companies have a positive image of mobile marketing.

It was recommended that companies should not abuse the personal contact with their customers and in doing so will build a good relationship between the business and their customers.

'People ring us to be taken off the SMS list, because they are on five company lists or get five messages from the same company as they are living on the border of Ireland and Northern Ireland or in a bad reception area which cause messages to be repeatedly resent'

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To determine how mobile marketing contributes to customer loyalty

It was said companies need to stand out, by using a variety of mobile marketing tools such as QR codes, mobile websites and varying the text and content of SMS campaigns, to build customer loyalty. Loyalty can be measured by redeeming coupons or showing SMS at the checkout, were each member of the public has their own coupon/SMS code.

It was also found that SMS campaigns lose effectiveness over time if the SMS does not change. Companies tend to send the same offer over and over, which leads to a large proportion of their data base opting out.

The method of obtaining customer's mobile numbers was a significant factor contributing to customer loyalty. Written consent from the recipient must be obtained before sending SMS, which a large proportion of companies don't obtain this consent.

Additional comments

It was felt that companies are unaware of all the mobile marketing tools available to them and companies are content using SMS as their mobile marketing strategy. Bluetooth marketing was thought to be in the past and was deemed as very intrusive method of contact. It was also felt that LBM would not be very successful and that QR codes are on the rise. However the main issue is creating awareness, as people are unfamiliar of how to decode the QR code.

In your own words can you explain what mobile marketing is?

All 5 companies were able to give a description of mobile marketing, 3 of the 5 companies used SMS to describe mobile marketing, referring to their own SMS campaign. One company described mobile marketing as:

> 'Something that reaches the audience and gives an instant reaction, and it's adapting to what people expect now, people are so used of instant things, Facebook, and I think it gives you a better reaction to the message you are trying to get across'

1 company expressed their personal feelings on mobile marketing stating:

> 'I think it is going to be the future as half the population have Smartphone's, using apps and receiving marketing messages, I'd say it's going to be massive. I personally have been using social networking sites more using apps, as it gives you a condensed version and I am doing things on my mobile I swore I would never do. If I am doing things at my age I think the way we interact with young people is going to change and the way we market and promote products for the future. You have your mobile phone with you checking your emails, browsing the internet, the opportunity is huge if it's done right, but I'm not sure if its working well yet'

Can you name some mobile marketing tools you are aware of?

Of the 5 companies asked to name the mobile marketing tools they were aware of, all five answered with SMS, followed by 3 companies mentioning mobile apps and QR codes and 1

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company also named Bluetooth, supporting the industry experts argument that SMS is the most popular method of mobile marketing.

Do you think mobile marketing is important?

All 5 respondents agreed mobile marketing is important, 3 of which said it is the future of marketing.

> 'CRM, which is becoming a topic of increasing importance in marketing, is concerned with using IT in implementing relationship marketing strategies' (Xu *et al*. 2002).

To identify the main methods of mobile marketing used by companies

All 5 companies use SMS, 3 of which use SMS to promote their business and use it in conjunction with special offers. 2 companies use SMS for informative purposes, but one company said they will be adapting their strategy to promote the business and offer discounts. All 5 companies were unaware of the full potential of QR codes, and 4 out of the five said they are considering using the tool in the future. 1 company had used QR codes in the past, which when scanned brought the customer to the companies app, but as the app was unable to be updated, the company stopped using the app and QR code, they did state however that they will be revisiting the area again. 1 company said they have looked into Bluetooth, but have decided against using it at present but would like to use it in the future.

All 5 companies indicate cost was a factor in determining the mobile marketing tool selected.

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To determine the amount of contact 'pushed' on customers by companies

> 'Pushing messages on customers has been found to be irritating to users who neither initiate the communication, nor have choice over what they receive' (Maunder *et al.* 2007).

1 out of the 5 companies 'push' content to their customers, where 4 of the companies had opt ins from their customers.

3 of the companies have a SMS strategy, 1 company sends out SMS once a month; and records how effective it is by determining the number of booking gained. Recipients are targeted through their personal interests. Similar with another recipient their SMS campaign is broken down into groups depending on the interest in the particular area of the company and SMS are sent accordingly. This company also send Birthday messages to all its customers, offering group package deals. The company monitors the effectives of campaigns by asking recipients to show the SMS to obtain the discount which are sent three to four times a month.

> 'In most cases, customers have an idea about the minimum acceptable relationship and the desired level' (Stone 2000, p29-38).

Another recipient schedules their SMS to be sent out five times a year, usually before bank holidays or seasonal holidays, they stress the importance of getting the timing right, when people are going to purchase their products. By using a call to action, they monitor their campaign where recipients reply to the SMS.

The remaining 2 companies' use SMS for informative purposes to keep their customers up to date with any changes within the company, which they both find leads to customer loyalty. 1

of the companies plan to send SMS once a month, when they introduce their new mobile marketing campaign.

1 company sends their messages between six and seven in the evening, as they feel people have time to read the SMS and will be more likely to buy. The company feels if they send the SMS during the day people read the message and forget about it and there is no reminder, however they have not tested this theory.

Another company sends their messages in the morning as they think it is most effective time, and they normally give 24hours notice to special offers or events; again their theory has not been tested.

The remaining company sends their SMS at lunchtime so people have their mobile phones on their person, which allows them time to make the booking. They also send the SMS at the beginning of the month in the middle of the week as they tend to get a bigger response rate, they feel if you send it on a Friday people are thinking of the weekend and are not thinking of buying. However the company is changing the strategy and will be sending the SMS at the end of each month. This is because people get paid at the end of the month and will be in the position to purchase.

> 'We reduce the amount of text and make it very vague, give them a lead in and a reason to call e.g. taster offer €49, this gives us the opportunity to sell to them rather than giving them too much information and the discard the text'

1 of the companies obtain customers contact details by customers filling out comment cards and asking if they would like to receive SMS from the company by ticking the opt in option on the card. 1 company uses competitions to gain their contact details, again by giving their

customers an opt-in option. Another company obtains their contacts by filling out membership cards, again giving their customers an opt-in option. 1 company plans to ask their customers upon contact if they would like to be included in the SMS campaign, while the final company did not ask for consent to send SMS but obtained the contact information from customer records.

> 'Permission matters because unsolicited advertisements may lead to consumers' frustration and unanticipated results, mobile phones are intimate so sending SMS advertisements without the consumers' consent is a violation of privacy' (Bamba and Barnes, 2006).

All 5 companies indicated they have a very low opt out rate, and do not have any major issues with their customers requesting to be removed from their database. All 5 companies said once their customers have indicated they want to be removed from the list, they are removed immediately and the customer is satisfied.

> 'From 1000 SMS sent, about 5 opt out, less than 1%'

2 of the companies obtained their database through running competitions and asking customers to opt into the companies SMS campaign.

To determine customers perceptions of mobile marketing

> 'Effective and efficient communications in face-to-face contacts, by phone, internet or other interactive media will allow the organization to improve its accessibility to customers and its understanding of their needs and wants' (Peelen *et al.* 2006).

4 of the 5 companies indicated they were happy with their SMS campaigns, 3 of which expressed value for money and a high return on investment.

'We might send out 3000 SMS at 5c each and a return of 50 bookings with a package of 70-80 euro, so it's very effective for us'

'We send about 1800 and 25 people will take up the offer'

1 company feels mobile marketing is not as intrusive as email or an e-Zine newsletter as the open rate is quite small, people see it as junk mail were as a SMS is well received. Another respondent believes customer's perceptions have changed but a negative image still remains.

To determine how mobile marketing contributes to customer loyalty

'The goal is to improve the customer's experience of how they interact with us, which hopefully, in turn, creates more satisfaction, which yields more loyalty, which, ideally, yields more sales of products and services' (Ryals, 2001).

All 5 respondents agreed with mobile marketing contributing to their customer loyalty. 1 company believed it makes the business more professional and proactive, people will come in to investigate and buy later; another company said it can only increase loyalty; you're getting your brand out there, once it's not intrusive. Another company argued, by our company contacting our customers promoting special offers it shows we are looking after our customers and it increases loyalty.

All 5 companies indicated that they measure their customer loyalty by asking the customers were they heard about the company/offer. 2 companies measure loyalty by asking customers to show the SMS. 1 company measures their customer loyalty by repeat business and all 5 companies stated they receive feedback from their customers complementing them on their SMS service.

All 5 companies agreed that by changing offers and SMS content they can be more distinctive from their competitors, and again all 5 companies agreed that they do believe SMS loses its effectiveness over time.

2 out of the 5 companies used mobile marketing with print media, agreeing that mobile marketing was more cost efficient, but used both methods in order to target different market segments. 3 of the 5 companies also indicated they get a higher response rate from mobile marketing activities.

Conclusion

It is evident from the interviews conducted that SMS is the most popular and cost affective mobile marketing tool. Cost is a major factor in the selection of the mobile marketing tool. All 5 companies are happy with their mobile marketing activities currently in place, but none of the companies have tested their theories on the timing, frequency and content of their SMS campaign. It has also been established that none of the 5 companies are aware of all the mobile marketing tools available to them and the potential of each tool. All companies are in agreement regarding mobile marketing building customer loyalty, and agreed that SMS does lose its effectiveness over time. There was also agreement with the industry expert, stating

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that companies' mobile marketing campaigns need to stand out from their competitors. It was also found that of the 5 companies interviewed, 4 obtained consent from their customers before sending SMS. The importance of obtaining the consent of the recipient was also highlighted by the industry expert. 4 out of the 5 companies expressed interest in introducing another form of mobile marketing in the future.

4.2 Phase 2- Surveys
100 questionnaires were completed and valid, giving a response rate of 100 percent.

4.2.1 Demographics of Survey Population
A quota sample of 100 people was taken, using age and gender as quota controls (See table 3

.1). Figure 4.1 represents 50 males (50 percent) and 50 females (50 percent), giving a total of

100 respondents. Respondents were asked their gender age category and their ownership of a

mobile phone. Therefore, quotas for each age category were reached, 18-24 (11 percent) 25-

30 (10 percent) 31-36 (11 percent) 37-42 (12 percent) 43-48 (12 percent) 49-54 (10 percent)

55-60 (10 percent) and 61+ (24 percent). Of the 100 respondents surveyed all respondents

indicated they owned a mobile phone. 2 females and 5 males indicated (7 percent) they had

more than one mobile phone.

Figure 4. 1 *Level of Male Agreement/Disagreement of Six Statements*
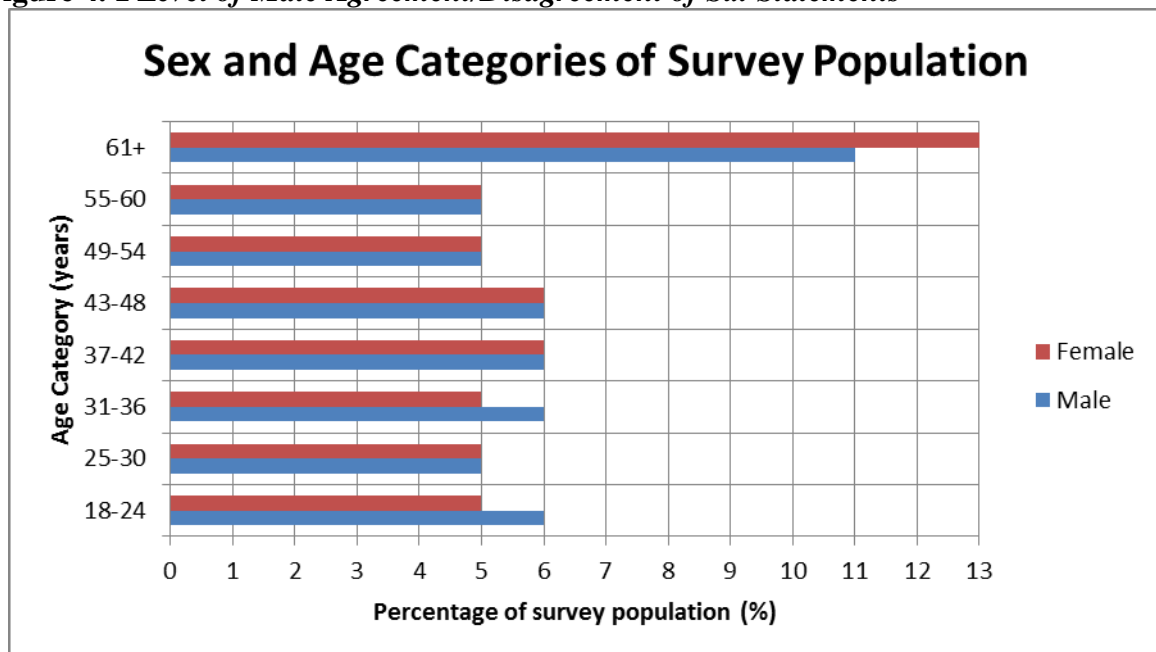
Table 4.1 *Type of Phone Ownership by Number of Respondents*

Respondents Age Categories	Standard Phone	Smartphone
18-24	5	6
25-30	3	7
31-36	6	5
37-42	5	7
43-48	9	3
49-54	9	1
55-60	9	1
61+	23	1

The table above shows of the 44 respondents under the age of 43, 25 owend Smartphones. Of the 56 respondents over the age of 43, only 6 had a Smartphone.

4.2.2 Main Methods of Mobile Marketing Used By Companies

Figure 4.2 indicates the majority (89 percent) of the population surveyed agreed that they have been contacted by companies through SMS, followed by Bluetooth (14 percent), Banner advertisements (11 percent), respondents also agreed (10 percent) they have never been contacted by companies, followed by (7 percent) locations based messages, with (1 percent) of respondents also indicted they have been contacted through email of telephone calls.

Figure 4. 2 *Mobile Marketing Tools used to Contact Survey Population by Gender*
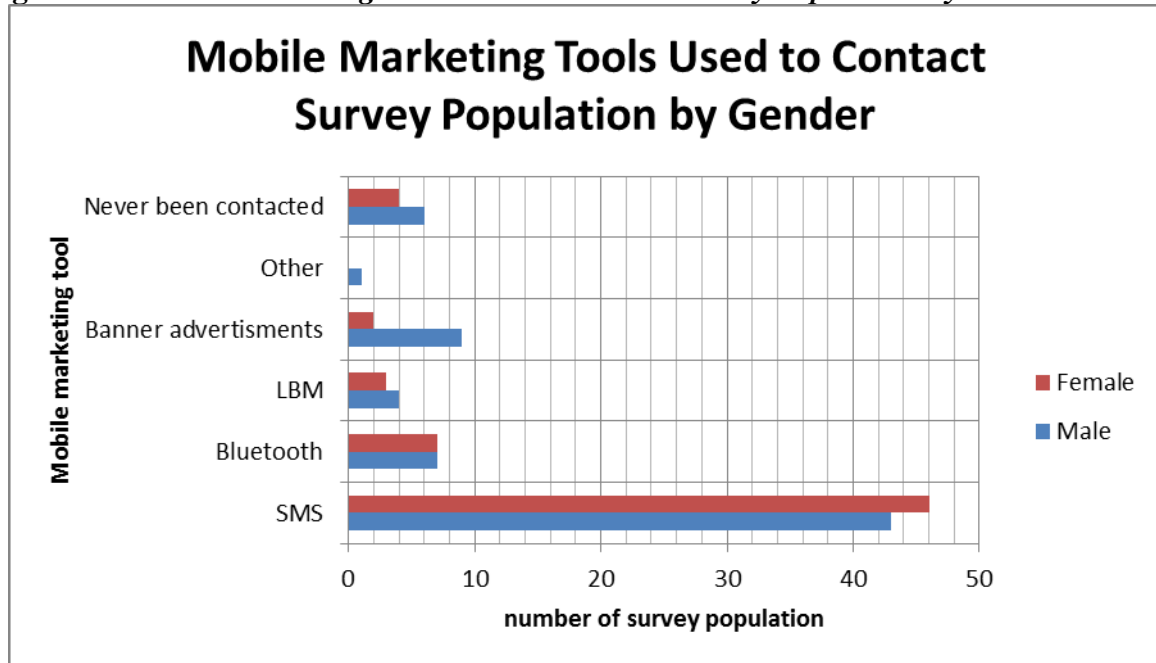
4.2.3 Level of Contact 'Pushed' On Customers by Companies

Of the 50 females surveyed 23 (46 percent) said they would be willing to provide their

mobile number to companies, leaving 27 (54 percent) indicating they would not be willing to

provide their mobile number to companies to contact them. Of the 50 males surveyed 27 (54

percent) said they would be willing to provide their mobile number and 23 (46 percent) said

they would not provide their mobile numbers to companies.

Figure 4. 3 *Percentage of Females Willingness/Unwillingness to Provide their Contact Details to Companies*

Percentage of males surveyed willing or not willing to provide mobile number

46% 54%
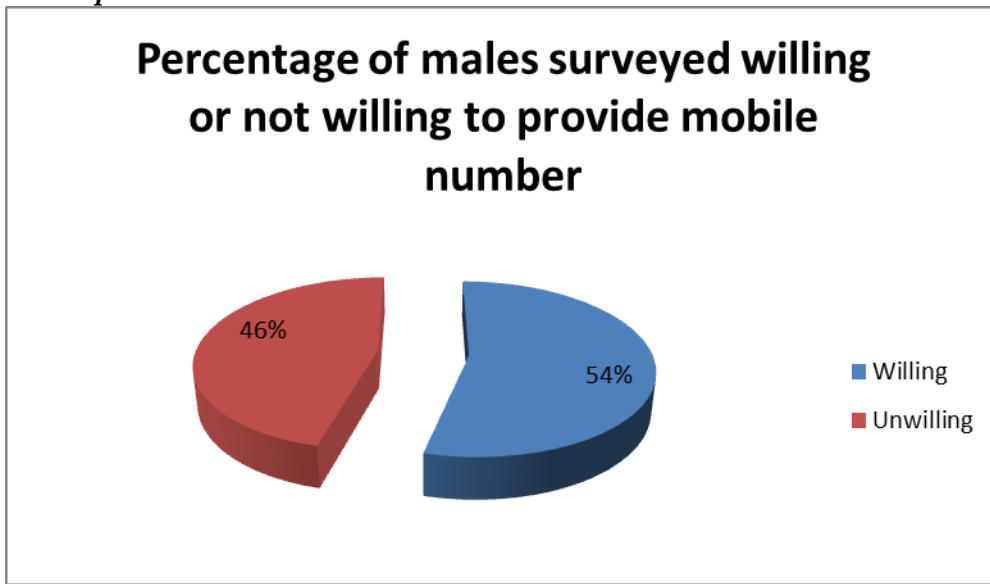
■ Willing
■ Unwilling

Figure 4. 4 *Percentage of Females Willingness/Unwillingness to Provide their Contact Details to Companies*

Percentage of females surveyed willing or not willing to provide mobile number

46%
54%

■ Willing
■ Unwilling
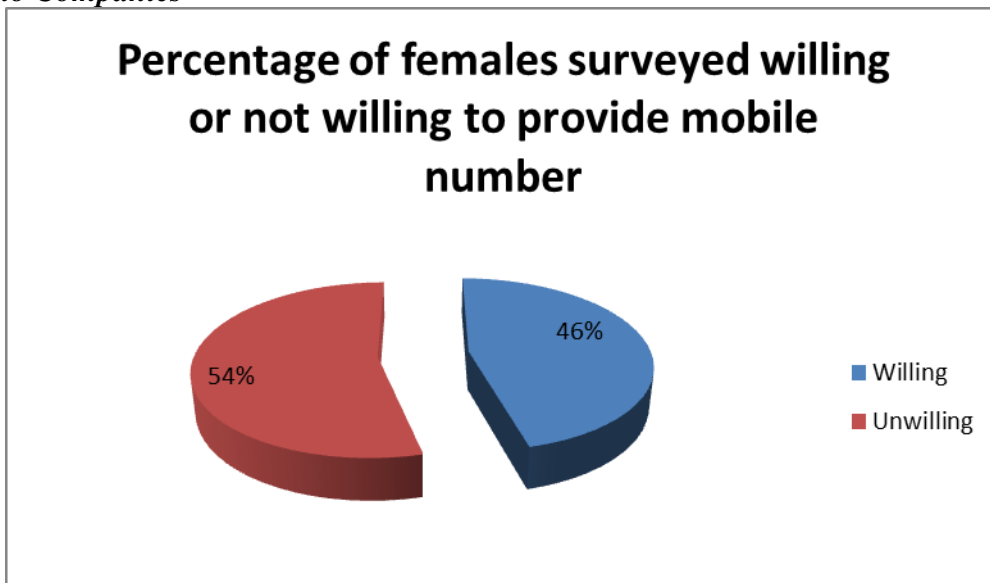
However 89 respondents indicated (89 percent) they have been contacted by companies through text SMS, 14 respondents said they have contacted through Bluetooth (14 percent) , 7 respondents (7 percent) said companies have contacted them through LBM, 10 respondents

said they have received banner advertisements (10 percent), 10 respondents (10 percent) said they have never been contacted by companies and 1 respondent (1percent) said they have received emails from companies.

There was a significant difference between males and females regarding banner advertisements as 9 times more males have been contacted than females. There was no discernible difference between the two genders regarding other methods listed.

50 percent of the respondents surveyed indicated that they would not be willing to provide their mobile number to companies, however only 10 percent indicated that they have never been contacted by companies. The results show that 40 percent of the respondents have been contacted against their preference.

> 'Permission-based advertising messages are powerful because by signing up to an opt-in list, the consumer is requesting the messages from the advertiser rather than simply being exposed to it' Sultan and Rohm (2005) cited by Leppäniemi (2008).

39 people (39 percent) answered that they use their mobiles to enter competitions, with twice as many females as males in this group, with no significant variation in any of the age categories. This is a method used by companies to obtain mobile numbers for their database, with 24 respondents (24 percent) encountering problems opting out from receiving SMS.

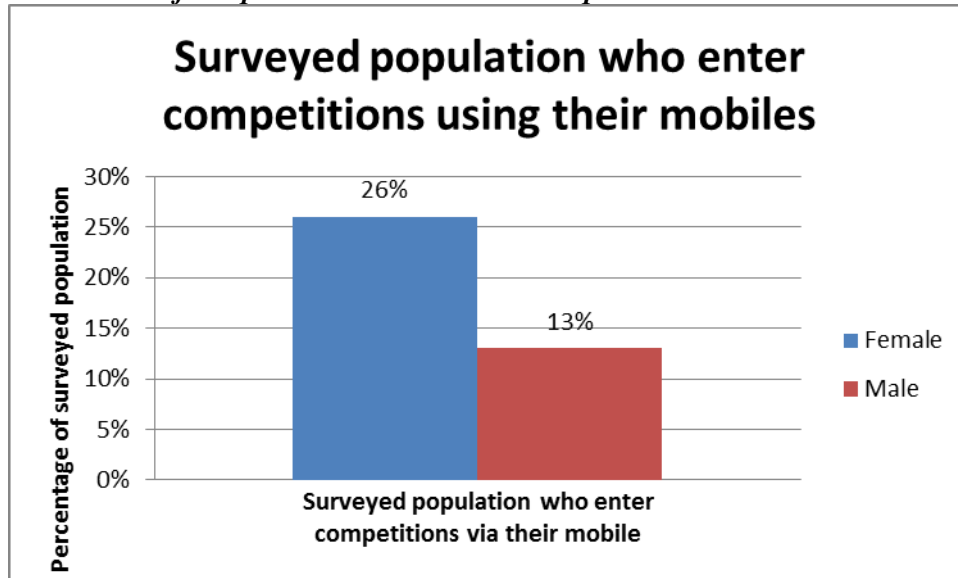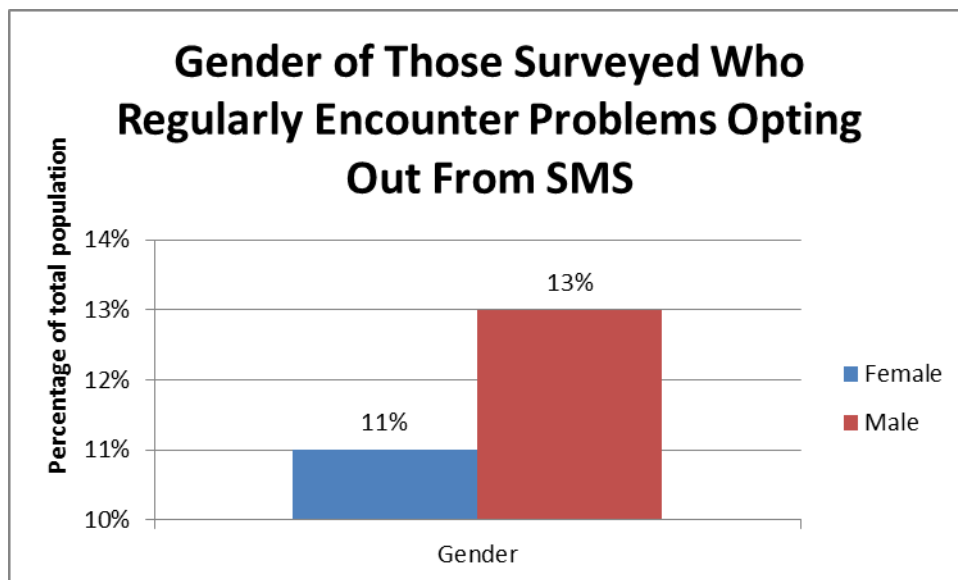**Figure 4. 5** *Genders of Respondents Who Enter Competitions*

Figure 4. 6 *Gender of Respondents Who Regularly Encounter Problems Opting Out from SMS*

4.2.4 Customers Perceptions of Mobile Marketing

Of the 7 mobile marketing tools listed 100 of the respondents were aware of SMS (100

percent). 63 respondents (63 percent) are aware of Bluetooth, with 58 (58 percent) using it on

their mobile phone. 54 respondents (54 percent) are aware of mobile websites (54 percent),

but only 31 respondents (31 percent) have noticed them. 47 respondents (47 percent) are aware of QR codes, but only 15 percent have scanned a QR code. 37 respondents (37 percent) are aware of Banner advertisements, but only 16 respondents have used them. 25 respondents (25 percent) are aware of LBM, but 17 respondents (17 percent) have received them. 62 respondents (62 percent) indicated that they are aware of Mobile Apps, and 1 person indicated phone calls as being a mobile marketing tool.
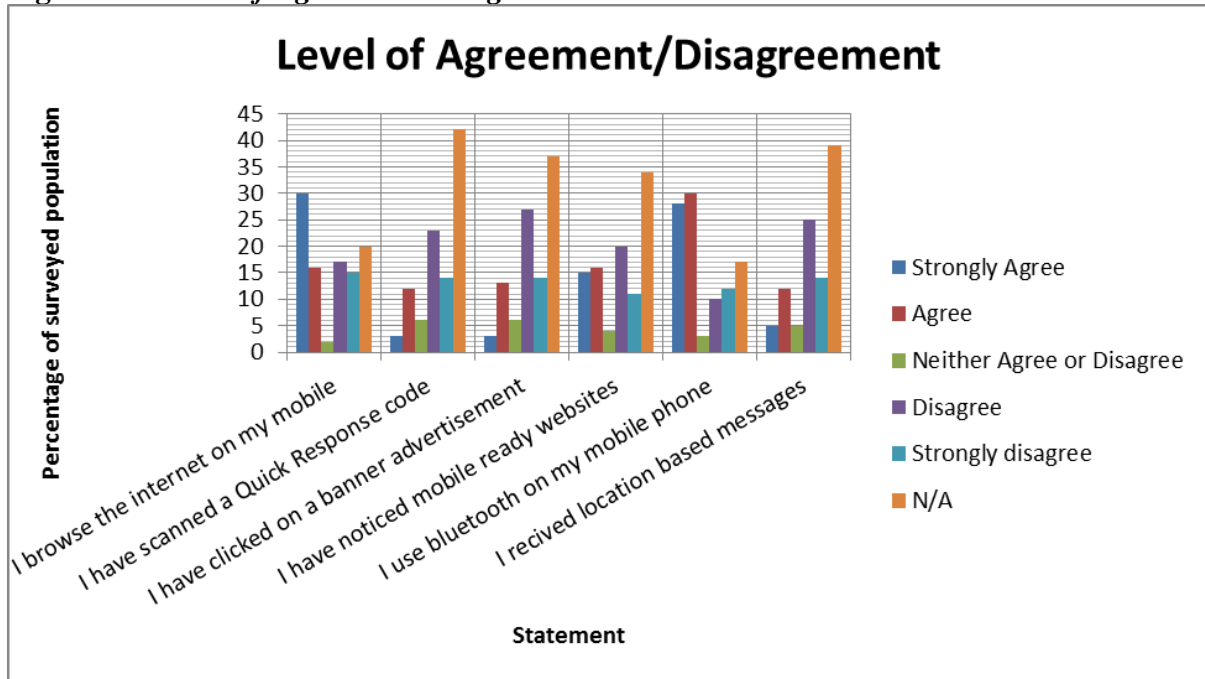
Figure 4. 7 *Awareness of Mobile Marketing Tools by Gender*
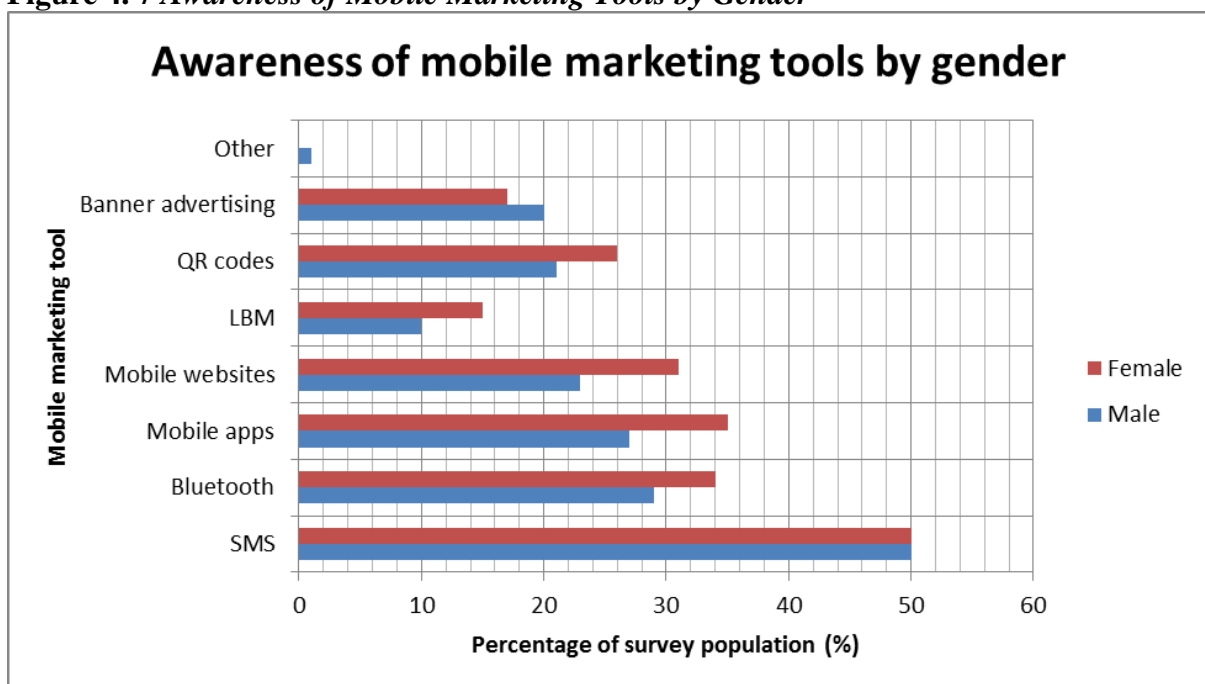
Figure 4. 8 *Level of Agreement/Disagreement with Six Statements*

The female respondents surveyed showed a greater awareness of mobile marketing tools, apart from banner advertisements where the male respondents had a 3 percent greater awareness.

As to be expected the younger generation seem to have a better understanding of mobile marketing tools, as can be seen in Table 2.

The perception of mobile marketing in both genders has generated similar findings, showing 50 percent of respondents agreeing to provide their mobile numbers to companies, with males showing slightly higher willingness than females, as shown in figures 4.3 and 4.4. However it is also shown by the general population of respondents indicating their perceptions of mobile marketing has improved.

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**Table 4.2** *Gender of Respondents Understanding of Mobile Marketing*

Female survey population understanding of mobile marketing tools

	SMS	Bluetooth	Mobile apps	Mobile websites	LBM	QR codes	Banner ads
61+	100%	54%	39%	31%	23%	31%	15%
55-60	100%	40%	40%	20%	40%	60%	0%
49-54	100%	40%	60%	20%	0%	20%	0%
43-48	100%	100%	83%	100%	17%	83%	50%
37-42	100%	67%	83%	83%	50%	50%	67%
31-36	100%	100%	100%	100%	0%	80%	60%
25-30	100%	80%	100%	100%	80%	80%	60%
18-24	100%	80%	100%	100%	40%	40%	40%

Male survey population understanding of mobile marketing tools

	SMS	Bluetooth	Mobile apps	Mobile websites	LBM	QR codes	Banner ads
61+	100%	36%	18%	9%	9%	9%	9%
5-60	100%	20%	20%	0%	0%	0%	0%
49-54	100%	40%	60%	60%	20%	40%	40%
43-48	100%	67%	50%	50%	0%	50%	33%
37-42	100%	83%	83%	67%	33%	67%	83%
31-36	100%	83%	83%	83%	17%	50%	50%
25-30	100%	60%	80%	60%	20%	80%	40%
18-24	100%	83%	67%	67%	67%	67%	67%

Figure 4. 9 *Perception of Mobile Marketing Tools*
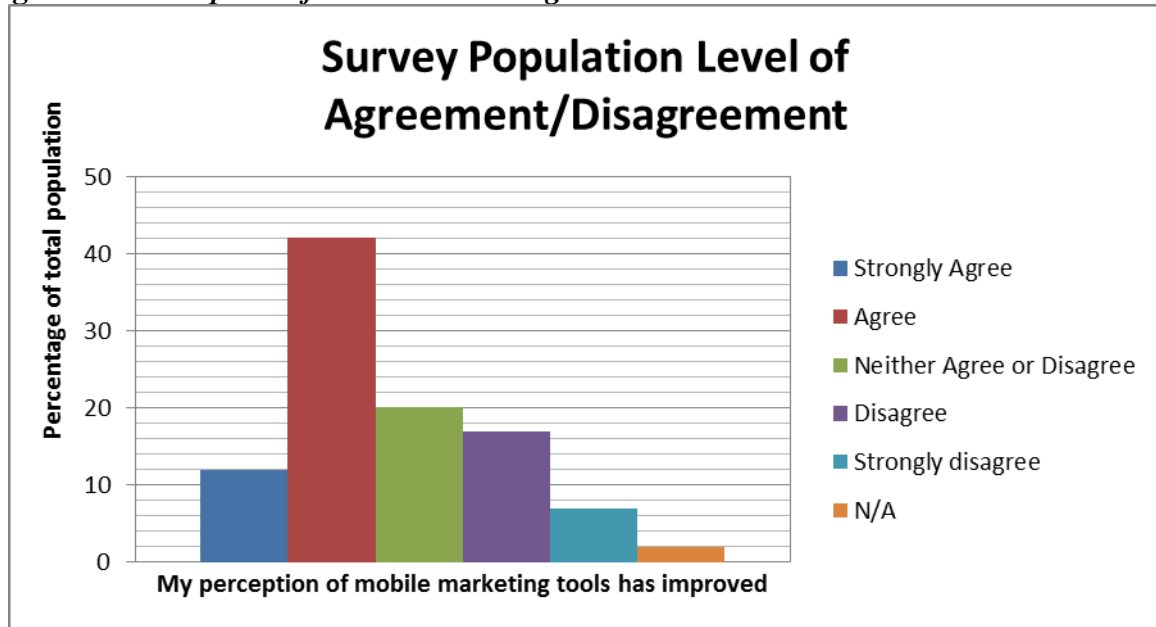
46 people (46 percent) indicated they browse the internet on their mobile, which comprised of 21 females and 25 males. 31 people (31 percent) have indicated they have noticed mobile websites, which indicates people using the internet on their mobile will be viewing websites with difficulties. This is due to full websites being viewed on small screens as shown in figure 4.8.

> 'Websites not optimized for the smaller-screen formats will become a market barrier
> for their owners-much content and many sites will need to be reformatted /rebuilt'
> (Gartner, 2010).

32 respondents surveyed (32 percent) have signed up to a number of companies text messaging service, 14 males and 18 females with 25 respondents indicating they would encourage family and friends to use/sign up to mobile marketing services, 19 male and 24 female.

Figure 4. 10 *Level of Agreement/Disagreement of Statement "I Have Signed Up to a Number of Companies Text Messaging Services"*
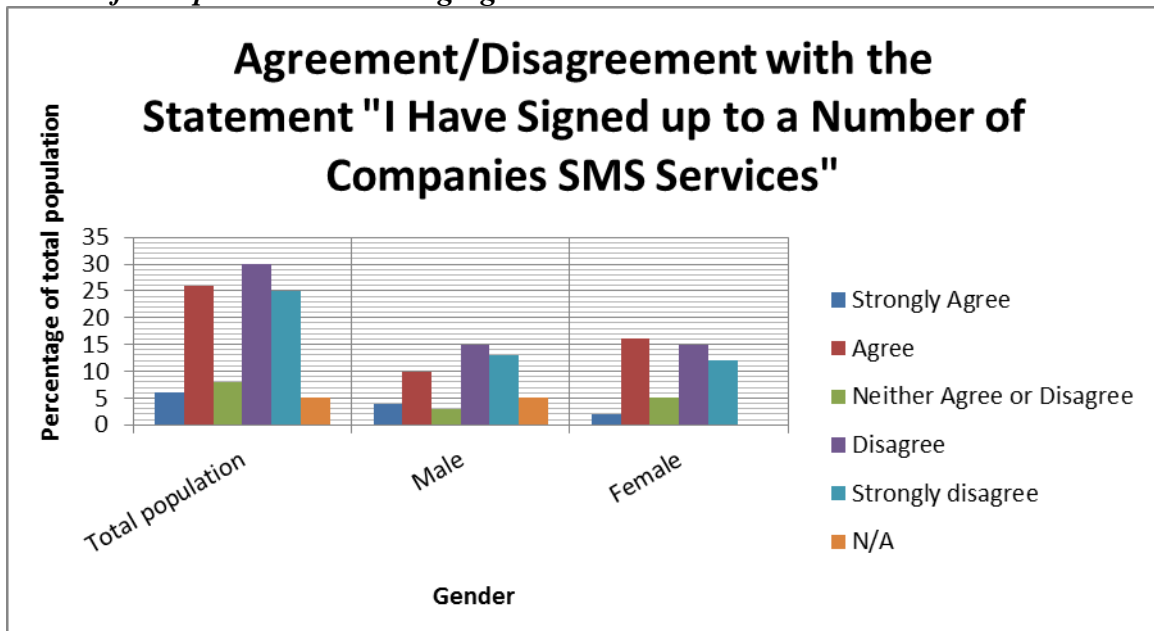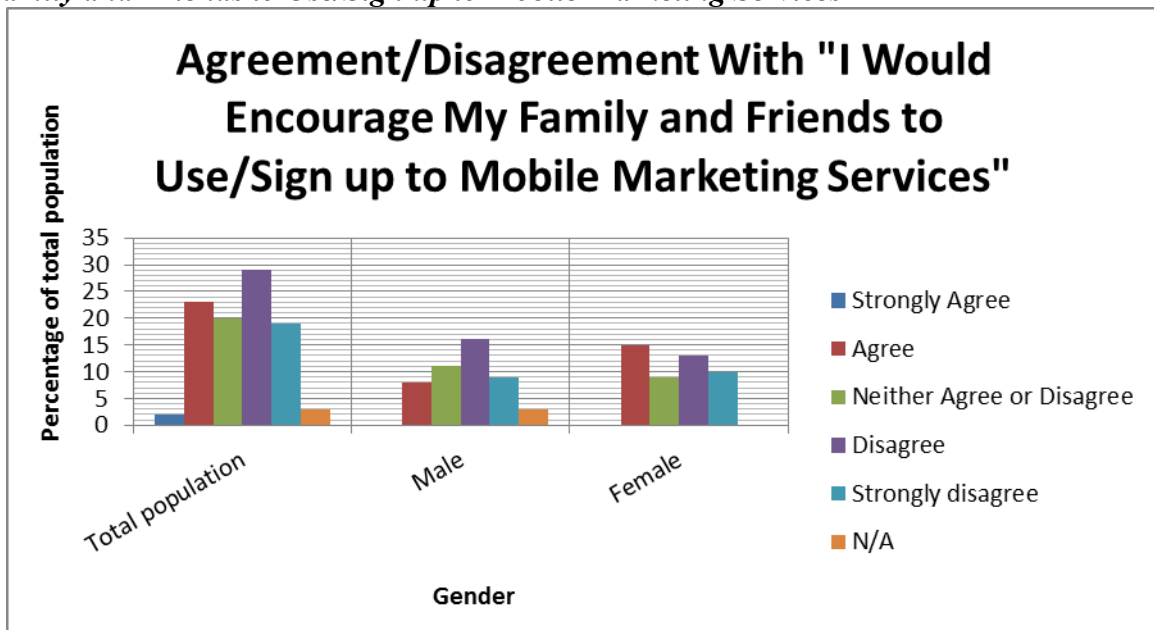

Figure 4. 11 *Level of Agreement/Disagreement of Statement "I Would Encourage My Family and Friends to Use/Sign up to Mobile Marketing Services"*

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When respondents were asked how often they deemed appropriate to be contacted by a company regarding basic information, it was found the vast majority indicated they would not like to be contacted or would only like to be contacted once a month. When asked about receiving promotional material, 26 percent of females indicated they would like to be contacted once per week, were as the vast majority of males answered that they would like to be contacted once per month, or they would not like to be contacted at all.

The majority of females (38 percent) would like to be contacted once per week regarding discounts, were as the majority of males (40 percent) would prefer not to be contacted. When questioned about a preferable time of day to be contacted, disregarding respondents who answered that they "would prefer not to be contacted", the 6pm-8pm time slot was the preferred time of 25 percent of those surveyed, with 29 percent of the respondents answering that they "did not have a preferred time".

54 percent of people surveyed indicated, they don't not have a preferred day of the week to be contacted.

Figure 4. 12 *Level of Contact Regarding Basic Information*

How Often it is Deemed Appropriate to be Contacted Regarding: Basic Information
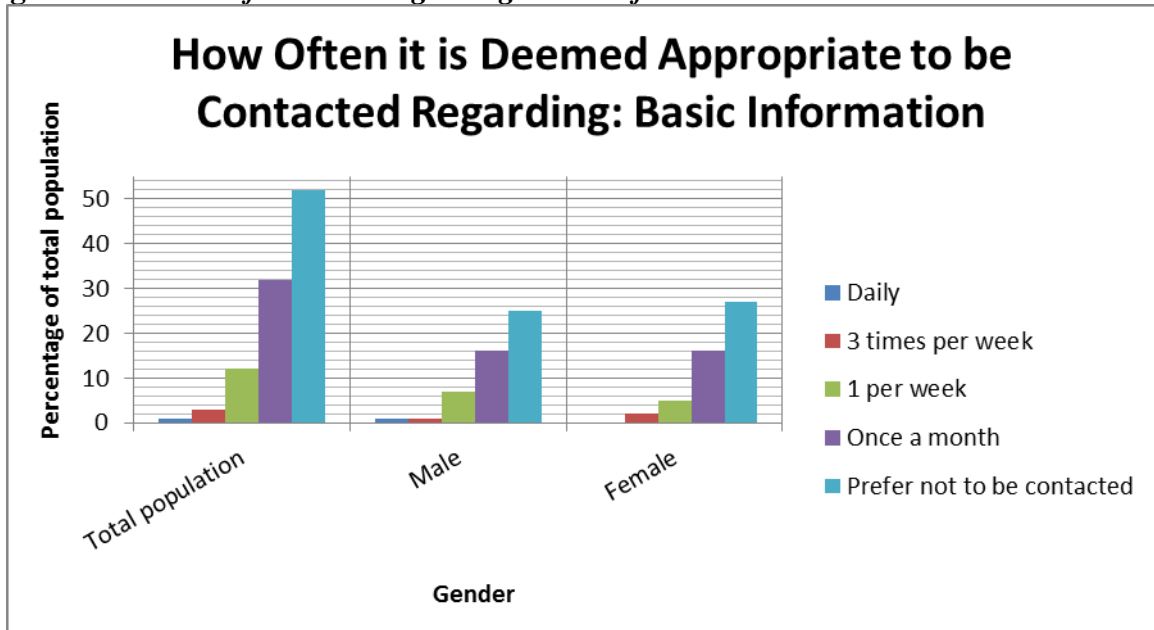
Figure 4. 13 *Level of Contact Regarding Promotional Material*
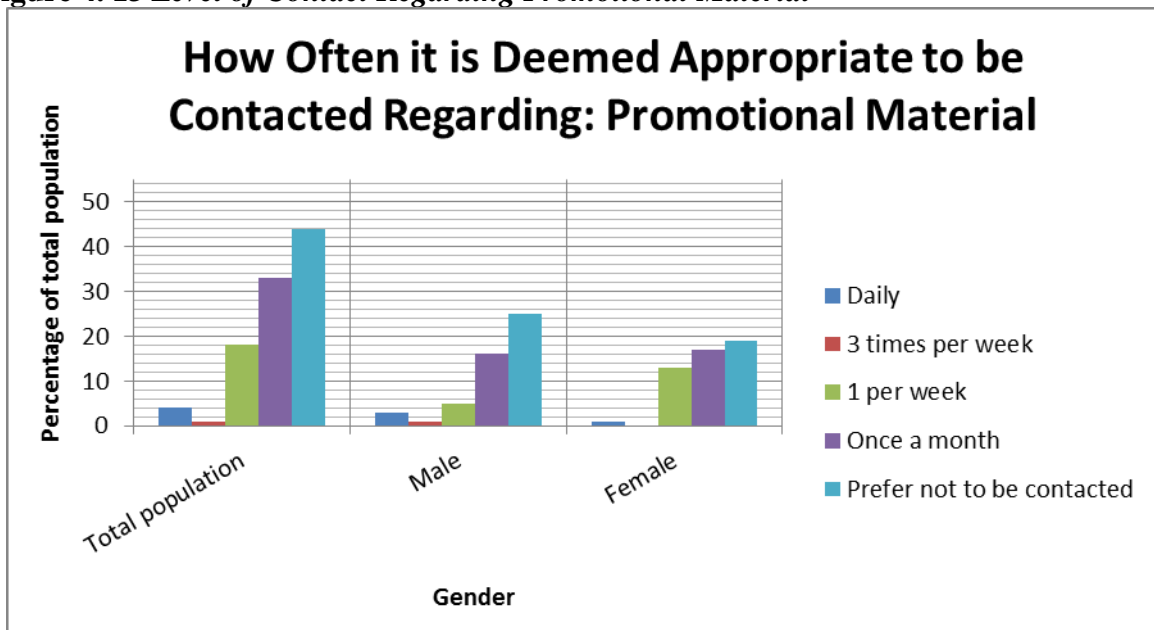
How Often it is Deemed Appropriate to be Contacted Regarding: Promotional Material

Figure 4. 14 *Level of Contact Regarding Discounts*
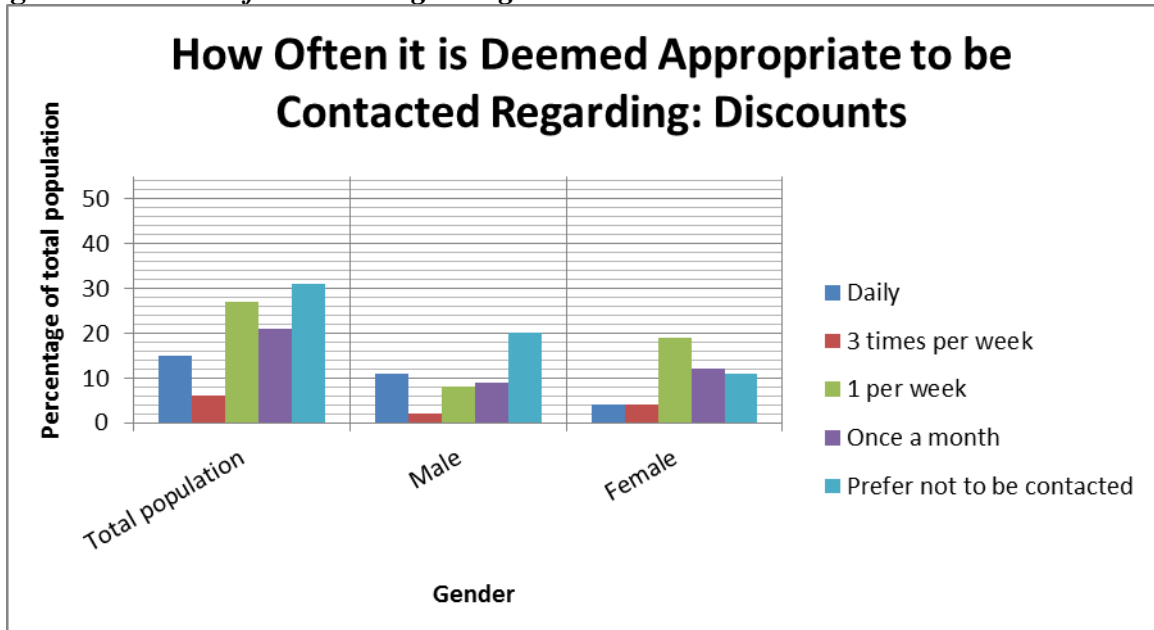
Figure 4. 15 *Time of Day to be contacted*
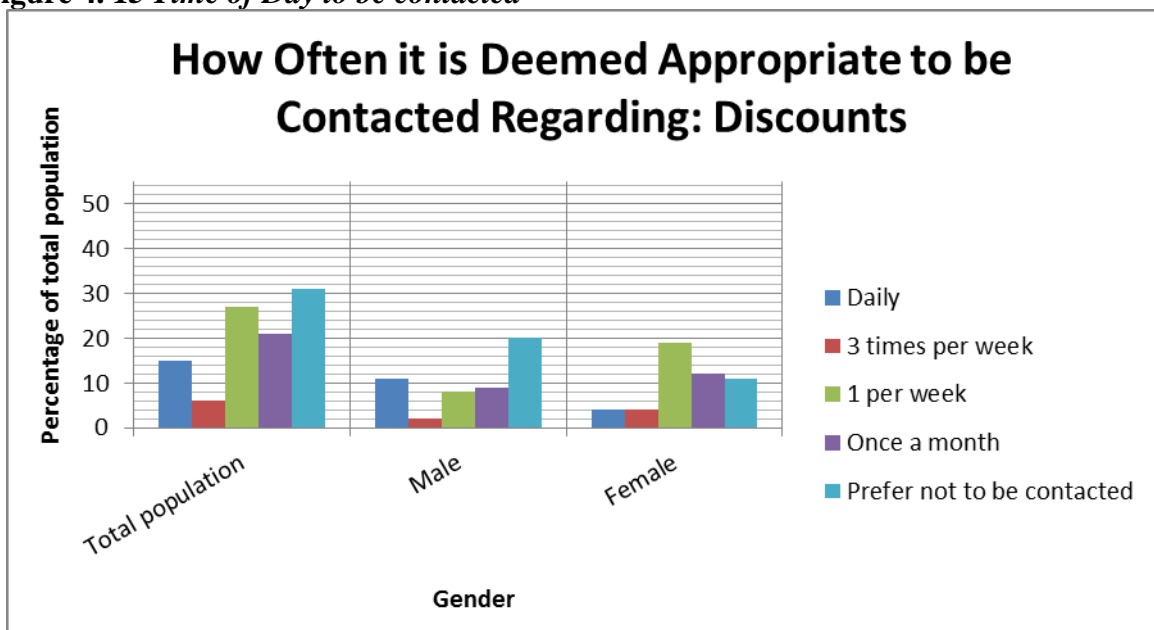
Figure 4. 16 *Day of the Week to be contacted*
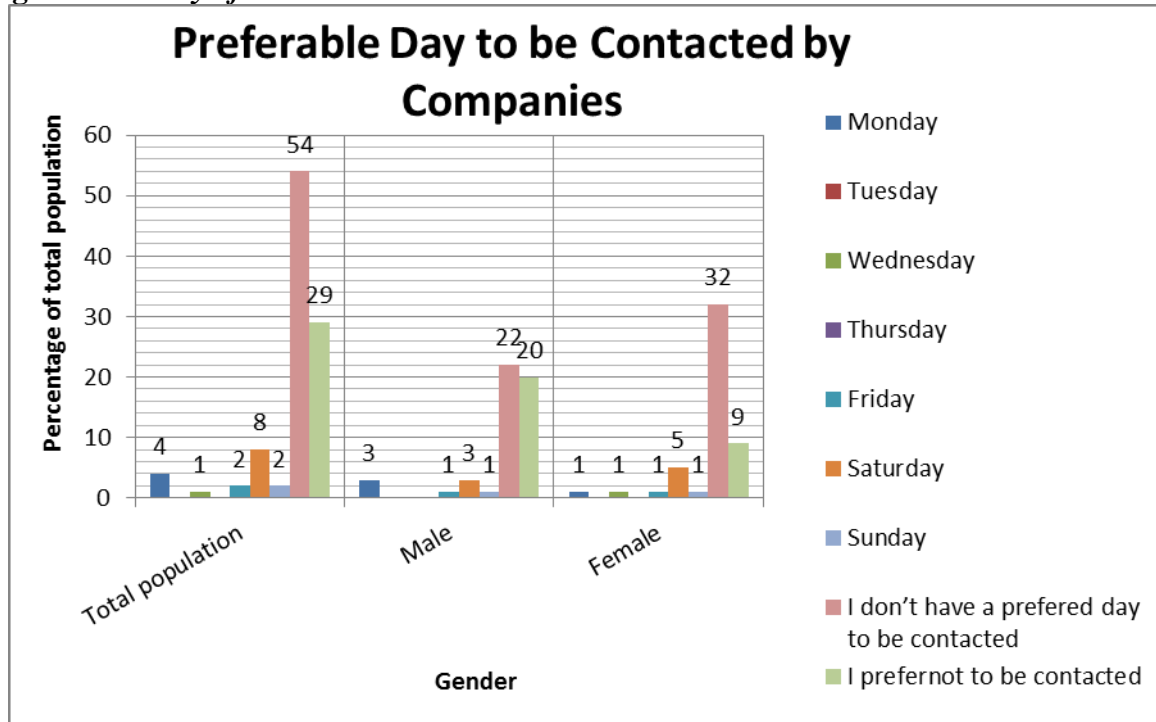
4.2.5 How Mobile Marketing Contributes To Customer Loyalty

Male respondents (56 percent) indicated they receive personalised message from companies

over women (44 percent).

> 'Mobile phones have shown to be very personal devices which may provide firms
>
> with unrivalled possibilities to build and maintain one-to-one relationships with their
>
> customers' (Camponovo *et al*., 2005; Siau *et al*., 2003, cited by ThaeMin, 2007).

52 percent of the total population disagreed with the statement "When I receive offers

through my mobile I always use them". Of the 17 percent of those who do use their offers, 12

percent are female.

'The ability of consumers to receive marketing messages and offers at any time and based on their location not only reduces their search costs, but also increases their shopping efficiency while perhaps saving them money through discounts or promotions. However, marketing information and offers sent to consumers simply based on their location that they find irrelevant may cause these consumers to think such marketing efforts are annoying and valueless' (Persaud and Azhar, 2012).

54 percent of the total population agreed that their perception of mobile marketing has improved, with only 24 percent of those surveyed indicating that their perception of mobile marketing has not improved.

'Communication is key to any successful relationship; then it can be argued that reaching customers via their mobile phone can ultimately bring some form of satisfaction' (Chen, Hsieh, P.T. *et al*. 2009 cited by Amarsanaa and Anjorin, 2012).

21 percent of the people agree with the statement "using mobile marketing tool increase my loyalty to a particular company", of that 21 percent 16 percent are female. 46 percent of the respondents disagree with the statement.

40 percent of the total population agree, that mobile marketing tools increases their intention to buy, of this 40 percent, 26 percent are female and 30 percent disagree with this statement.

"I have signed up to a number of companies text messaging service" 32 percent of the total population agreed with this statement, 55 percent disagreed with the statement.

Figure 4. 17 *Level of Agreement/Disagreement with Six Statements*
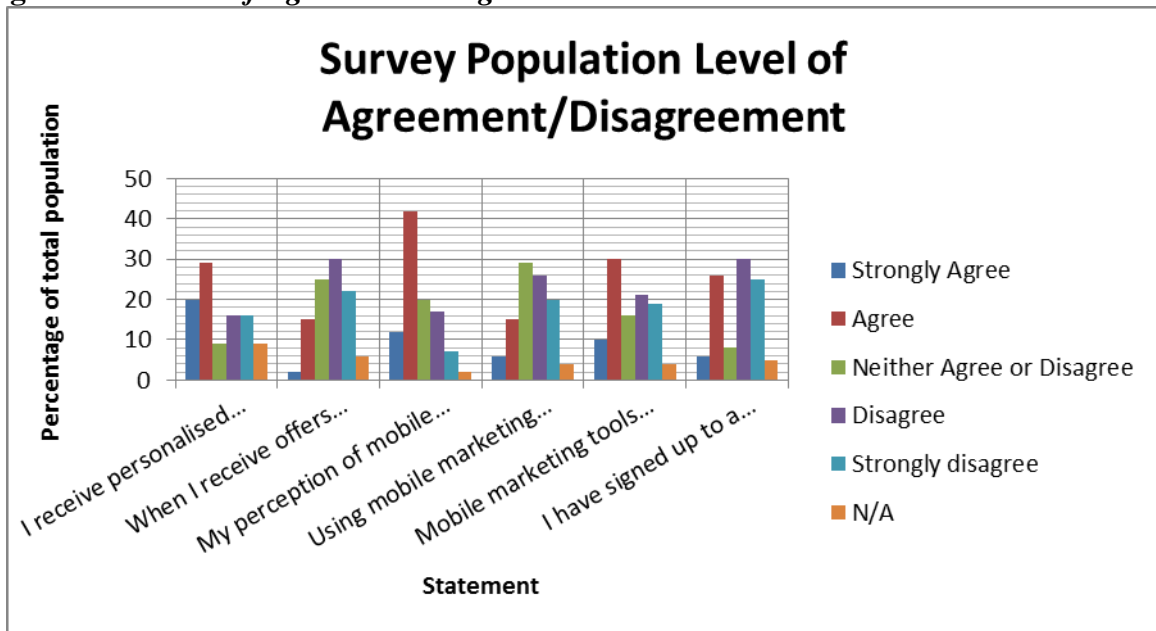
Figure 4. 18 *Level of Female Agreement/Disagreement with Six Statements*
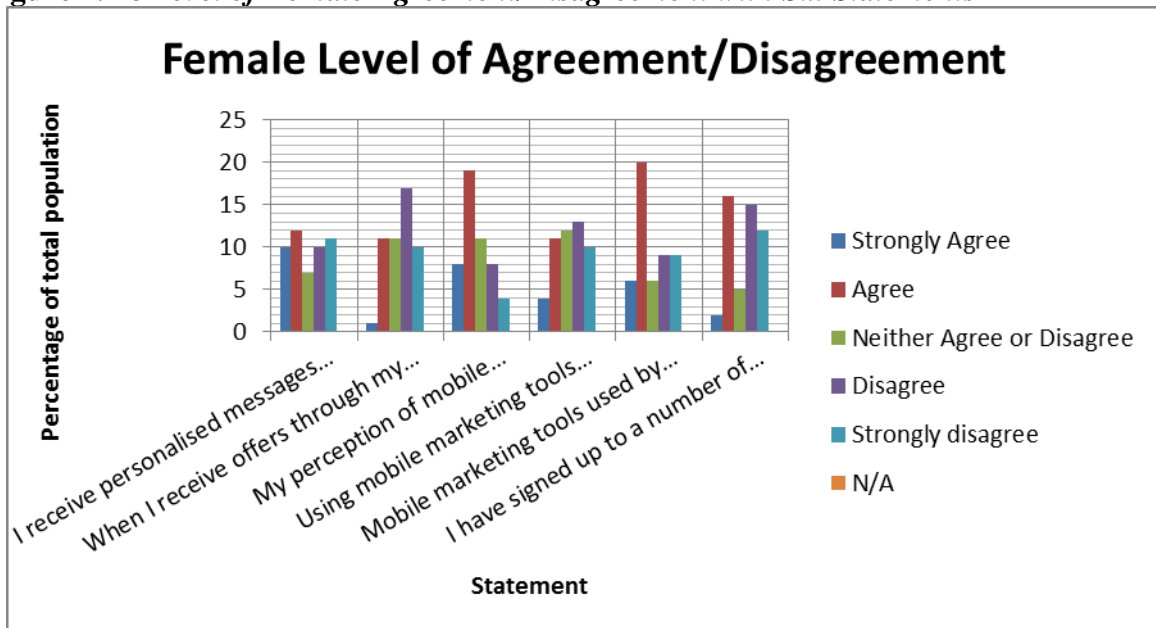
Figure 4. 19 *Level of Male Agreement/Disagreement of Six Statements*
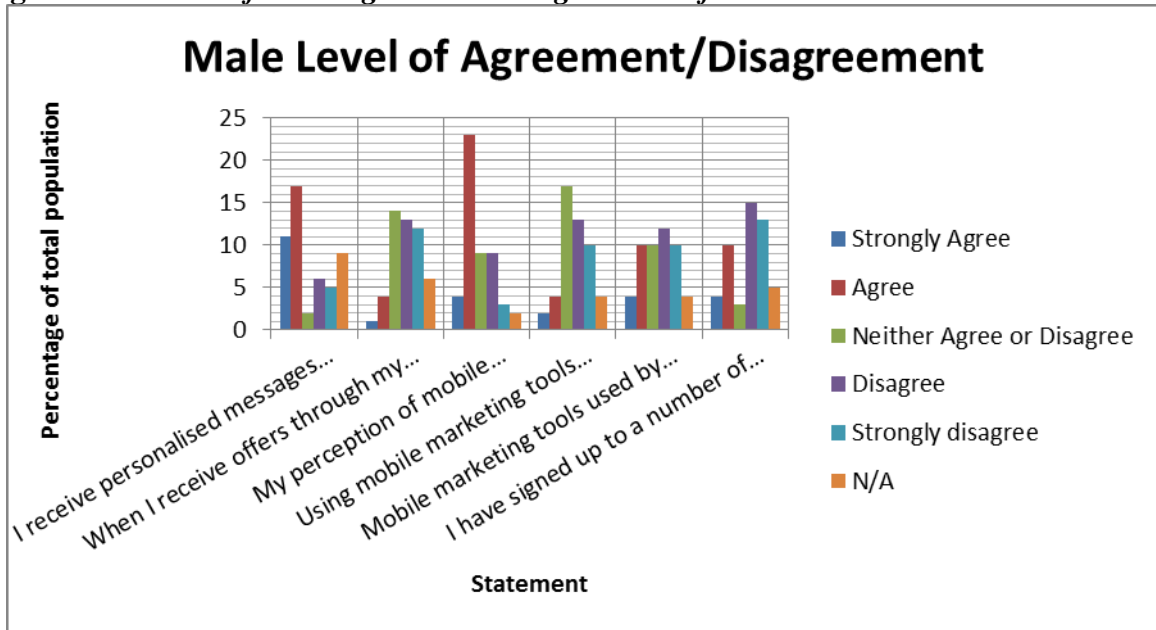
Chapter Five- Analysis

Of the 100 respondents surveyed, the entire group indicated they owned a mobile phone, with 31 percent owning a Smartphone. Although showing a small percentage of Smartphone ownership, of the 44 respondents under the age of 43, 25 had a Smartphone, indicating a trend of younger generations using Smartphone's.

It was found that 89 percent of the population have been contacted by companies through their mobile phone, even though 54 percent of females and 46 percent of males are not willing to provide their mobile numbers, showing that companies are pushing information on their customers.

1 out of the 5 companies revealed that they did not ask for permission to contact their customers via SMS, 1 company plans to ask permission upon contact and the remaining companies indicate they use comment cards, competitions and membership forms to gain contact details.

Companies running competitions may not be expressing in their terms and conditions upon competition entry that mobile numbers will be signed up to a text messaging service , as 39 percent of respondents have indicated they enter competitions on their mobile, with 24 percent of respondents indicating problems from opting out from SMS.

The industry expert recommends companies should not abuse the personal contact with customers, and for companies to stand out from their competition by using a variety of

mobile marketing tools. However all five companies expressed low opt out rate. The industry expert stressed the method of obtaining mobile numbers effects customer loyalty.

All 5 companies use SMS to contact their customers, 1 company had previously used mobile apps and QR codes in conjunction with each other, which indicates companies, may only use one mobile marketing tool for their business, but all 5 companies did indicate cost was a factor in the selection of mobile marketing tools.

Following 89 percent of people being contacted by companies by SMS, was 14 percent who were contacted by Bluetooth, 10 percent banner advertisements and 7 percent LBM, which also shows 'Push' contact.

The awareness of the 7 mobile marketing tools (SMS, Bluetooth, Mobile Apps, Mobile Websites, QR Codes, Banners Advertisements and LBM) was respectable; but usage showing a low level. However the industry expert said SMS are the most popular, followed by QR codes and mobile websites.

All five companies mentioned SMS when asked to describe mobile marketing, 3 companies mentioned mobile apps and QR codes and 1 company mentioned Bluetooth, and all five companies were unaware of the full capabilities of the various mobile marketing tools.

21 percent of the respondents agreed that mobile marketing tools increase their loyalty towards a particular company, while 55 percent of respondents disagreed, stating that they don't sign up to a number of companies text messaging services, thus showing loyalty to particular companies, which may be linked to 56 percent of respondents receiving personalised messages. 54 percent of respondents also indicated that their perception of

mobile marketing has improved. All five companies also agreed that mobile marketing tools have increased their customer loyalty.

Discounts were shown to be the most favourable information to receive from companies, as 38 percent of females and 40 percent of males wanted to receive information regarding discounts, with 6-8pm being the preferred time of day. 3 of the companies use texts to reveal special offers and discounts, whereas 2 companies use texts for informative purposes. The industry expert recommends sending SMS in the morning as they find its most effective and limiting the text to one message, whereas 1 company sends their texts between six and seven pm as it is thought their customers have time to read the message at this time, 1 company sends theirs SMS in the morning giving twenty four hours' notice of the special offer and 1 company sends their SMS at lunch time, giving their customers time to make the booking. However it must be noted, none of the companies have tested their theories.

Chapter Six- Conclusion and Recommendations

It is evident from both exploratory and descriptive research that mobile marketing is an immense part of companies marketing campaigns. SMS are the leading method, even though it is the oldest mobile marketing tool employed by companies and it is generally the most received by the respondents interviewed.

It seems that the mobile marketing campaigns employed by the companies interviewed are poorly researched and planned. Practices such as the time of day to send out messages seem to be based on the perception of the marketer rather than information gained from customers' feedback. As a result, text messaging campaigns may not be working to their full potential. Companies must set goals and targets with each mobile marketing campaign in order to measure the success of the campaign and address issues that may arise. It is important also that Companies introduce new mobile marketing methods, in order not to fall behind in the latest mobile marketing tools. Companies must also remember to educate their customers on actions required to uncover the messages.

It was shown from the survey results that there is a high level of information being pushed on customers, which may be reflecting the number of people who are unwilling to provide their mobile numbers to companies. Making customers aware that they are signing up to a text messaging service and providing them with a procedure to follow in order to opt out from the service may result in a higher percentage of people willing to provide their numbers, providing the customers with a level of control. Carefully selecting a convenient time and day

of the week to contact customers may lower the perception of 'pushed' contact from companies, as information may not feel as intrusive if it is received at a convenient time In order to avoid aggravating customers, consent should be gotten from customers before adding their mobile numbers to databases, thus companies messages being sent will be well received, leading to customers acting upon the message, resulting in customer loyalty and respectability for the company.

Perceptions of mobile marketing will always have both positive and negative images, and it is up to the individual companies to select and use mobile marketing tools to change customers' minds and to enhance their perception of mobile marketing. Mobile phones are a very personal device, creating a big opportunity for companies to create awareness of their products and services while building a base of loyal customers.

Customer Loyalty is achieved through contact with the customer and providing them with discounts and offers through a personalised medium. This will make the customer feel that they are individually valued by the company and will in turn increase their loyalty. The different mobile marketing tools available are an ideal way for companies to offer these discounts and offers to the correct customers at the appropriate time, and as such these mobile marketing tools will build customer loyalty. This loyalty will help to persuade customers to purchase from the company rather than from a competitor.

Awareness of all the mobile marketing tools available and their capabilities appears to be minimal from the perspective of both companies and respondents.

Bluetooth seems to be a widely used mobile tool with the survey respondents, a tool which companies could utilise more although it is considered an out of date mobile marketing tool. From the industry expert's point of view, few companies are showing interest in QR codes, mobile apps and mobile websites, but SMS are the leading contact tool used by companies followed by Bluetooth, LBM and Banner advertisements. However females have a great awareness of mobile marketing tools, apart from banner advertisements, with males having nine times greater awareness of these. This is of interest to companies in choosing their mobile marketing tools to target specific market segments.

Companies need to consider optimising their websites or begin introducing mobile websites as the survey results show a significant number of respondents utilise the internet on their mobile phones. Providing customers with the option to gain information on the move will also enhance customer loyalty.

Overall mobile marketing has proven to be a successful marketing tool, which needs some attention in order not to push too much unwanted information on customers. Generally, the perception of mobile marketing has improved and respondents also indicated mobile marketing tools increases their loyalty to companies and increases their intention to buy. Companies also agreed mobile marketing is the way of the future. Indeed the way people are now communicating with each other is changing and it is up to the individual companies to keep up to date with the various mobile marketing tools available.

Recommendations for Companies Regarding Mobile Marketing Tools

1. Obtain consent before sending SMS

2. Remove opt outs immediately

3. Put forward and offer discount

4. Keep informative message to minimal

5. Limit to one SMS

6. Change content of SMS regularly

7. Send SMS once a week or less

8. Keep up to date with mobile marketing tools

9. Inform customers on action to take with mobile marketing tools

10. Measure the success of each mobile marketing tool

6.1 Research Reflections

The research which was carried out during the undertaking of this dissertation can be

considered a success as a whole, as all objectives were fulfilled. However, as in any piece of

research, there is some scope for improvement.

While the survey population was reflective of the general population in county Mayo in terms

of ages and genders, due to the small number of people surveyed the results should not be

taken as completely accurate for the population as a whole.

The researcher found conducting surveys face to face encouraged a high response rate as

people feel compelled to take part in the research, which may have led to some bias in the

responses.

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Interviews conducted were with small companies only using SMS as part of their marketing strategy. In completing this questionnaire again, the researcher would have selected medium to large companies.

The researcher would use a statistical package, such as SPSS, to generate hypothesis and cross tabulation of the data, however due to PC limitations SPSS was not available, and so Microsoft Excel was used as a substitute.

The researcher has gained vital knowledge and experience relating to the field of mobile marketing throughout the completion of this dissertation.

6.2 Suggestions for Further Research
As previously stated, findings should not be considered as a wholly accurate reflection of the thinking of the general population, but instead taken as an indication of such.

In hindsight the use of surveys can only be used to gain limited information, and as such the use of focus groups should be used in conjunction with the surveys to gain a more rounded set of results.

It should also be noted the surveys carried out were in County Mayo. In order to gain an accurate reflection of the Irish populations thinking, the survey population should have been selected, and the survey carried out, throughout the country.

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APPENDIX 1- Theme Sheet for Industry Expert

1) **To identify the main methods of mobile marketing used by companies**

   - Can you name all the mobile marketing tools used by your company

   - Can you name the most popular method of mobile marketing tools used by companies and why do you think they are the most popular

   - Has there been an increase in a particular mobile marketing tool in recent years

   - Has there been an increase in the number of enquiries to your company in relation to a mobile marketing tools being considered

   - Do you think your customers have a mobile marketing strategy in place

   - Does cost determine the methods of mobile marketing tools chosen by companies

   - Is there a particular type of businesses who use mobile marketing tools the most

2) **To determine the amount of contact 'pushed' on customers by companies**

   - How often do you think SMS and MSM should be sent to customers

   - Is there a particular time of day these messages should be sent

   - Do you think companies abuse the use of mobile contact by pushing to much information on their customers

   - Do you think the amount of acceptable contact with customers depend on the offering such as information, special offers and coupons etc.

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- How much contact would you recommend between companies and their customers

3) To determine customers perceptions of mobile marketing

- Do you think mobile marketing has a positive or a negative images with companies

- Do you think mobile marketing has a positive or a negative images with the general public (both recipients and non-recipients of mobile marketing)

- Do you think perceptions have changed over the years

- How can companies change the negative perceptions among some of its customers of mobile marketing

- Do you think the people's perceptions change depending on the mobile marketing tools used by companies

4) To determine how mobile marketing contributes to customer loyalty

- How can mobile marketing increase customer loyalty

- Can mobile marketing have a negative effect of customer loyalty

- How can companies differentiate their mobile marketing tools in comparison to their competitors

- How can companies measure customer loyalty with mobile marketing tools

- How can companies sustain customer loyalty with mobile marketing tools

- Do you think mobile marketing tools loose its effectiveness over time

5) other

- Do Sendmode offer information about setting out a mobile marketing strategy for your customers

- Do you think companies are aware of all the mobile marketing tools available to them

APPENDIX 2- Theme Sheet for Companies Who Use Mobile Marketing Tools

- In your own words can you explain what mobile marketing is

- Can you name some mobile marketing tools you are aware of

- Do you think mobile marketing is important

1) **To identify the main methods of mobile marketing used by companies**

   - Can you name all the mobile marketing tools used by your company

   - Can you name the most effective method of mobile marketing tool used by your company

   - Has there been an increase in a particular mobile marketing tool used by your company in recent years

   - Does your company have a mobile marketing strategy in place

   - Does cost determine the methods of mobile marketing tools chosen by your company

   - How does your company measure the success of the mobile marketing tool used

   - Has your company ever used a mobile marketing tool which was unsuccessful

   - Does any of your mobile marketing tools generate income for the company (premium SMS)

2) **To determine amount of contact 'pushed' on customers by companies**

   - How often does your company send SMS and MSM to your customers

   - Is there a particular time of day these messages are sent

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- Do you integrated mobile marketing with traditional forms of marketing

- Do your customers comment on the amount of contact received by your company

- Do you think the amount of acceptable contact with your customers depend on the offering such as information, special offers and coupons etc.

- Do your customer opt in to be contacted by mobile

- Do many of your customers opt out from receiving SMS over time

3) **To determine customers perceptions of mobile marketing**

- Do you think mobile marketing has a positive or a negative images with your customers (both recipients and non-recipients of mobile marketing)

- Do you think perceptions have changed over the years

- How does your company deal with negative responses from mobile market campaigns

- Do you plan on using another form of mobile marketing in the future

4) **To determine how mobile marketing contributes to customer loyalty**

- Do you think your companies mobile marketing activities have increased customer loyalty

- How does your company differentiate mobile marketing tools in comparison to your competitors

- How does your company measure customer loyalty with mobile marketing tools

- Do you think mobile marketing tools loses its effectiveness over time

5) other

- Has your company noticed a higher response rate from mobile marketing vs. traditional means

- Is your website mobile friendly

APPENDIX 3- Questionnaire for Users and Non-Users of Mobile Phones

Questionnaire
_____

1) **Are you male or female?**

☐ Male ☐ Female

2) **To what age category do you belong?**

☐ 18-24 ☐ 25-30 ☐ 31-36 ☐ 37-42 ☐ 43-48 ☐ 49-54 ☐ 55-60 ☐ 61+

3) **Do you own a mobile phone?**

☐ Yes I own a mobile phone ☐ Yes I own more than 1 mobile phone ☐ No I don't own a mobile phone

*If you don't own a mobile phone you have completed the questionnaire

4) **Can you identify the type of mobile phone you own?**

☐ Standard ☐ iPhone, Anroid, Blackberry, Other Smartphone

5) **Which of the following mobile marketing tools are you aware of?**

☐ Text message (SMS/MSM)	☐ Bluetooth
From: 95101 Show this message at counter for a free drink with purchase of a burger.	A Consumer Walks By Your Premise → The Broadcast Station Beams Out Your Message → Your Message Arrives Instantly Come Inside Now & Your First Drink Is On Us!
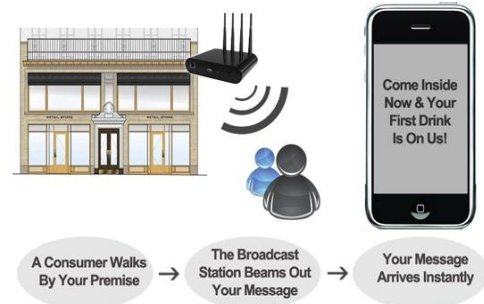
☐ Mobile apps 	☐ Mobile websites
☐ Location based messages 	☐ QR codes (Quick response codes)
☐ Banner advertising 	☐ Other, please indicate
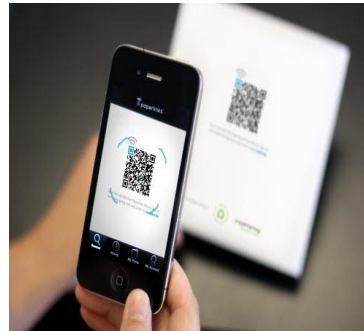
H

6) If asked by a company, would you be willing to provide your mobile number for the company to contact you?

☐ Yes ☐ No

7) Which of the following mobile marketing tools, if any, have been used by companies to contact you?

☐ Text messages (SMS/MSM) ☐ Bluetooth ☐ Location based messages ☐ Banner advertisments

☐ Other, please indicate [   ] ☐ I have never been contacted by a company

8) Please indicate your level of agreement /disagreement with the following statements:

	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree	N/A
I browse the internet on my mobile	☐	☐	☐	☐	☐	☐
I have scanned a Quick Response code	☐	☐	☐	☐	☐	☐
I have clicked on a banner advertisement	☐	☐	☐	☐	☐	☐
I have noticed mobile ready websites	☐	☐	☐	☐	☐	☐
I use Bluetooth on my mobile phone	☐	☐	☐	☐	☐	☐
I received location based messages	☐	☐	☐	☐	☐	☐

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9) How often would you deem appropriate to be contacted by a company regarding the following:

Basic information

☐ Daily ☐ 3 times per week ☐ 1 per week ☐ Once a month ☐ I prefer not to be contacted

Promotional material

☐ Daily ☐ 3 times per week ☐ 1 per week ☐ Once a month ☐ I prefer not to be contacted

Discounts

☐ Daily ☐ 3 times per week ☐ 1 per week ☐ Once a month ☐ I prefer not to be contacted

10) Is there a preferable time of day you would like to be contact by companies? Please select one of the following:

Yes, I would like to be contacted between

☐ 9am-11am ☐ 12pm-2pm ☐ 3pm-5pm ☐ 6pm-8pm ☐ I don't have a preferred time

☐ I preffer not to be contacted

11) Is there a particular day of the week you would prefer to be contacted by companies? Select one of the following:

Yes, I would like to be contacted on a

☐ Monday ☐ Tuesday ☐ Wednesday ☐ Thursday ☐ Friday ☐ Saturday ☐ Sunday

☐ I don't have a preferred day to be contacted ☐ I prefer not to be contacted

12) **Please indicate your level of agreement /disagreement with the following statements:**

	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree	N/A
I receive personalised messages from companies	☐	☐	☐	☐	☐	☐
I enter competitions through my mobile	☐	☐	☐	☐	☐	☐
When I receive offers through my mobile I always use them	☐	☐	☐	☐	☐	☐
I regularly encounter problems opting out from SMS	☐	☐	☐	☐	☐	☐
My perception of mobile marketing has improved	☐	☐	☐	☐	☐	☐
Using mobile marketing tools increases my loyalty towards a particular company	☐	☐	☐	☐	☐	☐
Mobile marketing tools used by companies' increases my intention to buy	☐	☐	☐	☐	☐	☐
I have signed up to a number of companies SMS services	☐	☐	☐	☐	☐	☐
I would encourage my family and friends to use/sign up to mobile marketing services	☐	☐	☐	☐	☐	☐

_____

Thank you for completing the questionnaire,
Your time is greatly appreciated

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