Brand in the hand: A cross-market investigation of consumer acceptance of mobile marketing

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KEYWORDS
Mobile marketing; Branding; Marketing communications; Wireless communications; Consumer acceptance of new technology; Generation M; Global marketing

Abstract  Given the great potential of developing marketing campaigns delivered via mobile devices and the evolution of near-field communication technologies, this study examines factors influencing consumers’ acceptance of untethered, or mobile, marketing across three influential markets: the United States, China, and Europe. We examine the extent to which the usefulness of mobile information/programs and individual characteristics—namely innovativeness, personal attachment, and risk avoidance—jointly influence attitudes toward mobile marketing, and how the latter influences consumers’ mobile marketing activity across three large and influential markets. We found perceived usefulness, consumer innovativeness, and personal attachment to directly influence attitudes toward mobile marketing in all three markets. In China and Europe, risk avoidance also negatively influences attitudes toward mobile marketing. Marketers seeking to build and maintain customer relationships via mobile platforms should view these individual characteristics as levers brands can push to amplify consumers’ acceptance of mobile marketing.

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1. Brand in the hand

Coinciding with the widespread adoption of 3G and 4G smartphones among consumers, mobile marketing has increasingly become a staple tactic in brands’ advertising and promotional efforts. Target, Ralph Lauren, Dunkin Donuts, Starbucks, Volkswagen, Chanel, FIFA, and Puma represent just a few consumer brands from the United States, Europe, and Asia that have begun to aggressively adopt untethered mobile marketing platforms to forge closer and more relevant connections with specific audiences. In the U.S. alone, companies’ spending on mobile advertising and promotions and their ability to deliver brands to consumers is forecast to grow approximately 600% from $9.3 billion in 2010 to $56.5 billion by 2015 (Marketing Charts, 2011).

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http://dx.doi.org/10.1016/j.bushor.2012.05.004
Several years ago, prior to the launch of the iPhone, marketers and researchers (e.g., Sultan & Rohm, 2005) began touting the opportunities inherent in ‘brand in the hand’ marketing via mobile devices, particularly among youth markets. The continued adoption of 3G and 4G Internet-enabled phones among consumers in markets ranging from the United States and Europe to emerging markets like India and China has led brands to increasingly view such technology as an effective marketing platform. Also, while smartphones have yet to see mass consumer adoption, this trend is quickly changing among younger consumers. Consider China, where in 2001 there were 10 million mobile phone subscribers; today, the country hosts almost 200 million smartphone users (Ablott, 2011).

Moreover, recent studies have shown that Chinese and U.S. youth consumers are the most active mobile users in terms of mobile Internet access, email, and texting compared to the rest of the world (Nielsen Research, 2010). Experts suggest that almost 90% of the globe will soon be connected via some type of mobile device, and by 2015, there will be more Internet-enabled phones in use than computers. Additionally, near-field-communication (NFC) technologies are rapidly changing the way we view our ‘phones’ as they evolve from communication devices to electronic wallets. For instance, Starbucks recently launched one of the first pay-by-phone applications to be adopted on a broad level in the United States.

Mobile technology represents one of the fastest-growing marketing communication platforms, and a variety of mobile devices are in widespread use around the world. In fact, by the end of 2011, smartphone penetration is predicted to reach 50% in markets in the United States and parts of Western Europe (Nielsen Research, 2010). Due to this convergence of wireless and mobile device technology, consumers are now freed—or untethered—from their homes, desktops, and offices, with the ability to communicate, access and share information within their social networks, play games, and buy products via location-based applications.

1.1. One size fits all?

In seeking to realize the marketing potential of a mobile medium, companies frequently make the too-common mistake of viewing mobile marketing as a one-size-fits-all platform to be applied in the same manner across global markets, irrespective of other media channels. The problem, we have found, is that companies often fail to consider culture-specific factors (e.g., consumer’s overall attitudes of the platform) and individual characteristics (e.g., risk perceptions). For instance, while sports brand Adidas attracted more than 1 million international visitors to its mobile portal during the 2006 FIFA World Cup championships, simply mashing cultures together did not always work. The company’s mobile campaign was an enormous success in some markets, such as the United States and China, yet curiously did not perform well in Germany and Italy—even though Germany was the host country for the games! According to Adidas management, the reasons for these cross-country differences included consumers’ overall attitudes toward mobile devices being used as marketing platforms, rather than simply for communication purposes. As this example demonstrates, a mobile campaign that succeeds in the U.S. may not necessarily do so in Europe, China, or other markets.

Another mistake companies make regarding mobile marketing is misperceiving the medium as a stand-alone platform that functions independently from the rest of the marketing ecosystem, including traditional media. Herein, we argue that both small and large companies incorporating mobile marketing into their overall marketing strategy must recognize that consumers’ acceptance of mobile marketing can differ, depending on where they live and work. We further contend that mobile marketing should be considered as one, albeit important, element of a brand’s overall customer communication ecosystem. We are now at a crossroads where marketing strategy meets next-generation interactivity and mobility. To thrive or even survive in this new age of marketing, companies will have to figure out how to engage customers across global markets and across the traditional and digital platforms where they ‘live.’

1.2. A cross-market study of mobile marketing activity

To further examine these issues, we conducted a comparative study of global youth consumer acceptance of mobile marketing practices across three markets: the United States, China, and Western Europe. We conceptualized mobile marketing as organizations’, companies’, and brands’ efforts to promote, inform, sell, or otherwise drive consumers to take some type of action using a mobile platform (Mobile Marketing Association, 2008). We focus on youth consumers between the ages of 20 and 24—often referred to as Generation M (for Mobile)—because they represent a generation that has grown up and become socialized to digital content with 24/7 access, when and where they want it (Grant & O’Donohoe, 2007; Sangwan & Pau, 2005; Sultan, Rohm, & Gao, 2009). Further, in terms of
disposable income and spending, these younger individuals represent the core consumers of tomorrow. Among the aforementioned demographic group, the key objectives of our research were to investigate the drivers of consumers’ attitudes toward mobile marketing and the relationship between young consumers’ attitudes toward mobile marketing and their actual mobile marketing activity. In particular, we examined six key factors related to youth consumers’ adoption and acceptance of mobile marketing across these markets:

1. Usefulness of information, content, and activities;
2. Consumers’ personal attachment to their mobile phones;
3. Consumers’ innovativeness;
4. Privacy concerns related to the mobile platform;
5. Attitudes toward mobile marketing; and
6. Mobile marketing activity.

For companies seeking to optimize their mobile campaigns across markets, recognizing and considering these drivers, including the extent to which the usefulness of mobile content as well as mobile users’ individual characteristics influence both attitudes and mobile activity, is an important first step toward campaign effectiveness.

2. A conceptual model of factors influencing mobile marketing participation

A great deal of the extant research regarding consumers’ acceptance of mobile marketing has focused on linking technology-acceptance factors, consumers’ attitudes toward mobile marketing, and intentions to engage in mobile marketing (e.g., Grant & O’Donohoe, 2007; Sultan et al., 2009). Building on this foundation, we incorporated three consumer characteristics uniquely important to the mobile platform, developed a conceptual model of mobile marketing acceptance (see Figure 1), and empirically tested it across three segments of youth respondents from the United States, China, and Western Europe.

The first part of our conceptual model links consumers’ perceptions related to the usefulness of mobile devices as well as their individual characteristics of personal innovativeness, feelings of attachment to their mobile phone, and their desire for risk avoidance with their attitudes toward mobile marketing practices. The second part of our model tests the influence of mobile marketing attitudes on actual mobile marketing participation and activity, including purchasing products or services and downloading music and mobile applications.

We propose that the three individual characteristics of innovativeness, personal attachment, and risk avoidance will moderate or influence the direct effect of perceived usefulness of mobile content

**Figure 1. A conceptual model of consumers’ mobile marketing acceptance**

![Conceptual Model Diagram]

Notes: The “+” and “−” signs indicate the directions of the influences
and programs and consumers’ attitudes toward mobile marketing. We argue that greater levels of perceived innovativeness, feelings of personal attachment to their mobile phone, and risk avoidance among our youth respondents will weaken the positive effect of perceived usefulness on mobile marketing attitudes. In other words, as consumers’ innovativeness, attachment, and risk avoidance rise, perceived usefulness will also rise, thereby enhancing consumers’ attitudes of mobile marketing. As such, it is important for managers to think beyond the direct influences of these factors on attitudes. Moderating effects, such as innovativeness, attachment, and trust development, can provide managers additional methods to strengthen consumers’ overall attitudes and their resulting mobile activity.

Regarding the extant research in consumer acceptance of mobile marketing, our conceptual model raises two important questions: (1) How do device usefulness and individual characteristics—such as innovativeness, attachment, and risk avoidance—affect consumers’ attitudes and, ultimately, their mobile marketing activity? (2) How do these relationships differ across respondents from the United States, China, and Western Europe?

To empirically test our model, we administered questionnaires in each respective market to youth respondents who were active mobile phone users. We chose a youth sample for this study based on the youth market’s widespread adoption and use of mobile devices for communications and Internet access (Nielsen Research, 2010; Sangwan & Pau, 2005; Sultan et al., 2009). Overall, we generated 430 responses from the United States, 456 responses from China, and 450 responses from Europe. All responses across the three markets were collected during a 2-week period in mid 2010. The respondent characteristics of the three survey samples were as follows: in the U.S. sample, 53% were male; in the Chinese sample, 31% were male; and in the European sample, 54% were male. A large majority of respondents were between 18 and 24 years old.

### 3. Factors influencing mobile marketing activity

The study uncovered important insights regarding youth consumers and their acceptance of mobile marketing. Our findings illustrated a common influence across all three markets: consumer attitudes toward mobile marketing have a significant influence on individuals’ actual mobile marketing activity. However, our findings also pointed to several cross-market differences related to respondents’ participation in mobile marketing activity.

#### 3.1. Cross-market comparisons

A cross-market comparison of average scores for our key variables highlighted several differences among the United States, China, and Europe (see Table 1). U.S. respondents indicated greater perceived usefulness and personal attachment to their mobile devices, as well as greater attitudes toward mobile marketing in general, than did respondents from China and Europe. European respondents indicated significantly higher risk avoidance as compared to respondents from the U.S. and China. Self-reported mobile marketing activity (e.g., purchasing and downloading items via one’s mobile phone) was highest among Chinese respondents. These findings are important in two ways: (1) they highlight the intimate role mobile devices play in the lives of younger U.S. consumers, and (2) they also point to a significant hurdle in furthering consumer acceptance of companies’ mobile marketing efforts—namely, risk perceptions—in markets like Western Europe.

#### 3.2. The central role of attitudes

The results from our study illustrate the central role of attitudes in influencing mobile activity. In all three markets, consumers’ attitudes toward mobile marketing enhanced their acceptance of mobile marketing as measured by self-reported mobile marketing activity.

### Table 1. Comparison of variable means across markets

<table>
<thead>
<tr>
<th>Variables</th>
<th>Means</th>
<th>T-Tests of Mean Differences</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S.</td>
<td>China</td>
</tr>
<tr>
<td>Perceived Usefulness</td>
<td>3.09</td>
<td>2.89</td>
</tr>
<tr>
<td>Attachment</td>
<td>3.54</td>
<td>2.60</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>2.77</td>
<td>2.43</td>
</tr>
<tr>
<td>Risk Avoidance</td>
<td>3.74</td>
<td>3.92</td>
</tr>
<tr>
<td>Attitude</td>
<td>3.02</td>
<td>2.61</td>
</tr>
<tr>
<td>Mobile Marketing Activities</td>
<td>0.97</td>
<td>1.85</td>
</tr>
</tbody>
</table>

Note: * Significant at .05; ** Significant at .01; *** Significant at .001
activity. This observation raises the question of what steps marketers who are active or interested in mobile marketing can take to enhance consumer attitudes toward mobile platforms for brand-consumer engagement. Since attitudes can be defined as firmly held beliefs based on past experiences or other influences (e.g., word of mouth) that we hold toward objects, including brands, it is critical for mobile marketers to forge and maintain consumer trust and communicate a strong value proposition through which value can arise from convenience, entertainment, compelling content, and special deals (see Table 2).

### 3.3. Device usefulness

Another common finding across the three markets involves the direct influence of device usefulness on consumers’ attitudes toward mobile marketing. In fact, this variable exerted the most direct influence on attitudes for all three markets—even after innovativeness, attachment, and risk avoidance were considered. Therefore, companies seeking to effectively reach and engage youth consumers using mobile platforms must recognize the usefulness of their mobile content, applications, and other activities for their target audience.

### 3.4. Consumer innovativeness

In all three markets, consumers’ innovativeness enhances their attitudes toward mobile marketing by having a direct influence on the latter. This finding suggests that highly innovative consumers form favorable attitudes toward mobile marketing simply by virtue of companies’ initiative to engage them in such an innovative platform whereby the medium itself is central to the message, and by providing activities on the mobile platform that tap into their interests and creativity.

### 3.5. Privacy

In both China and Western Europe, youth consumers’ attitudes toward mobile marketing are negatively affected by participants’ desire for privacy and risk avoidance. Specifically, as European consumers’ risk avoidance increased, the role of perceived usefulness in influencing attitudes diminished. Given the personal and portable nature of mobile devices (Shankar, Venkatesh, Hofacker, & Naik, 2010; Sultan & Rohm, 2005), this implies that companies conducting mobile marketing campaigns in China and Western Europe need to pay particular attention to consumers’ risk concerns; for example, regarding the type of personal information required or mobile payment options. In the United States, risk avoidance did not influence consumers’ mobile marketing activity.

### 3.6. Personal attachment

*Personal attachment* refers to the extent to which a mobile phone represents an integral part of an individual’s life such that they not only use it 24/7, but also consider themself addicted. We often conduct informal polls among our students to ask: “Of three belongings—your wallet, your keys, and your mobile phone—forgetting which of these at home

### Table 2. Mobile activity and acceptance factors across markets

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>China</th>
<th>Western Europe</th>
</tr>
</thead>
</table>
| Mobile and Smartphone Penetration Rates | — 95% mobile phone penetration\(^1\)  
— 28% smartphone penetration | — 67% mobile phone penetration\(^2\)  
— 10% smartphone penetration | — 90% to 145% mobile phone penetration (depending on country)\(^3\)  
— 25% to 50% smartphone penetration |
| Acceptance Factors | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) |
| Usefulness of Mobile Information and Programs | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) |
| Personal Attachment | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) |
| Individual Innovativeness | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) |
| Risk Avoidance | No Significant Direct Influence on Mobile Marketing Attitudes | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Attitudes}}\) |
| Mobile Marketing Attitudes | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Activity}}\) | \(^{\text{(+)}\text{ Direct Influence on Mobile Marketing Activity}}\) | \(^{\text{(-)}\text{ Direct Influence on Mobile Marketing Activity}}\) |

\(^{1}\text{Source: Nielsen Research (2011)}\)
\(^{2}\text{Reuters (2011)}\)
\(^{3}\text{Nielsen Research (2011)}\)
would concern you most?” Invariably, most responses indicate the phone.

In all three markets, this concept of personal attachment to one’s mobile phone had a direct influence on youth consumers’ attitudes toward mobile marketing. An interesting extension of this finding is that among U.S. and Chinese respondents, personal attachment influenced attitudes by diminishing the impact of perceived usefulness on attitudes. This means that consumers who are highly attached to their phones possibly form higher expectations for mobile campaigns and are, thus, more demanding of content delivered via such devices. As a result, the same level of perceived usefulness may lead to less positive attitudes among more attached versus less attached consumer groups. The implication for mobile marketers in markets like the United States and China is that they need to place particular emphasis on a campaign’s overall usefulness (e.g., through relevance and value) for these highly attached consumers.

4. One size does not fit all...markets

In their article on the promise of global brands, Holt, Quelch, and Taylor (2004) warn that the rise of global culture does not necessarily mean consumers in respective global markets share the same tastes and values. Similarly, we uncovered several cross-market differences related to mobile marketing attitudes and participation in mobile marketing activities. Taken together, these findings illustrate how individual characteristics measured across three markets depend on specific cultural indicators.

On the other hand, a mobile-centric communication strategy can be particularly important in markets like the United States and China, where we found personal attachment to one’s mobile device to be a significant driver of consumers’ attitudes toward mobile marketing. For instance, fast-food brand KFC recently ran a mobile promotion in China to promote its summer drinks, as well as membership in its KFC Club. By offering campaign participants exclusive mobile content featuring summer drink icons they could collect and share with friends via their phones, and by updating this content weekly, KFC’s strategy illustrates how personal attachment to one’s mobile phone can induce the positive consumer behavior evident in this campaign.

4.1. Privacy concerns

On the other hand, some respondents—particularly those in Western Europe—showed high levels of perceived innovativeness and a strong propensity for risk avoidance. Despite the impact of globalization, research shows that consumers’ innovativeness in terms of rapidly adopting new products and services differs significantly across global markets, and is highest in Western European countries such as Italy and Sweden (Tellis, Yin, & Bell, 2009).

With respect to consumer privacy and mobile marketing, stark differences exist between the United States and Europe. Aside from recent ‘do-not-track’ legislation which prohibits or limits online data collection, storage, and sharing, the United States has no federal laws regarding online privacy concerns. In contrast, privacy protection in Europe is championed by much stricter legislation, covering both the public and private sectors. To be sure, there is a legacy of heightened awareness in markets like Western Europe in terms of companies’ use of personal information collected online.

Therefore, managers need to recognize that mobile campaigns conveying trust and the protection of personal data can help address consumers’ privacy and intrusion concerns. Furthermore, such campaigns should simultaneously enable consumers to retain control over their interactions with the brand or organization. For example, worldwide soccer-governing body FIFA, along with the Associated Press, launched a mobile application (http://getapmobile.com/worldcup/) to bring the usability and rich visual experience normally associated with websites to European and international soccer fans’ mobile devices. FIFA’s mobile app was designed with consumer trust and control in mind by enabling users to opt-in through a simple registration process, asking only for email and phone type to access multiple forms of content, including real-time news and scores, exclusive video, and information on tournament teams and venues.

4.2. A cultural perspective

One perspective for explaining the convergence of mobile marketing behaviors between Chinese and U.S. consumers may be the melding of Confucian values (e.g., desire for social recognition) with the growing influence of Western sensibilities, particularly as regards U.S. culture. Whereas individualism conflicts with the social and communist ethos typical of traditional Chinese culture, this Western and U.S. value is increasingly appealing to the ‘young emperor’ generation of consumers born after 1980 (Degen, 2009). As an example of this cultural shift in China, the M-Zone service of China Mobile recently launched the slogan ‘My Zone, I Decide.’ In the same way, web-based mobile technology has also turned
millions of young Chinese consumers into fans of the U.S.-based National Basketball Association, which has exposed people around the globe to local music from different markets and cultures by way of web-based music subscription services, such as Rhapsody.

5. Leveraging cultural differences: Six campaigns

Drawing from our findings highlighting the role of usefulness, personal attachment, innovativeness, and risk avoidance as factors influencing consumer attitudes and participation related to mobile marketing, we report on six recent mobile marketing campaigns illustrating the role of these influence factors. Two campaigns (Disney and Harley-Davidson) are from the United States, two (Days Inn and Volkswagen) are from Europe, and two (Volkswagen and Starbucks) are from China. Both U.S. campaigns demonstrate a focus on fostering customer engagement and attachment. The two European efforts, meanwhile, stress the campaigns’ innovative nature and fostering trust. Finally, the Chinese campaigns highlight innovation, as well as personal and social attachment.

5.1. Disney: Swampy the Alligator

The continued appeal of the Disney brand depends largely on future ‘stars’ or characters that will appear in animated shows and movies, as well as in stores as licensed products. In response to this, Disney created a cute and likeable alligator figure named Swampy to be featured in a mobile gaming app titled ‘Where’s My Water?’ designed for the iPhone and iPad. Besides the fact that Disney is able to charge $0.99 for the Swampy app, in effect making it a self-funding marketing platform, it represents the emphasis for employing a mobile platform for branded entertainment. This approach aligns with our findings for U.S. respondents, showing that usefulness (i.e., providing fun and entertaining content similar to the Angry Birds phenomenon) and personal attachment (conveyed through the Swampy character, delivered via mobile phones) can affect consumers’ attitudes and thus their participation in mobile marketing activity.

5.2. Harley-Davidson

To strengthen the brand’s involvement with Harley riders in Texas, Harley-Davidson (H-D) developed an SMS-based campaign via which current and prospective H-D owners and customers could opt in to an exclusive VIP club, featuring mobile alerts on special events and sales at local H-D dealers. The key success indicators for this initiative included dealer traffic and sales increases over the duration of the campaign. This particular campaign was based on research indicating that Harley riders are technology- and web-savvy individuals. Similarly, our findings—albeit focused on younger consumers—should also be considered when targeting older consumers. This campaign targeting Harley riders corresponds with our findings for U.S. respondents by highlighting the role of usefulness (in terms of the informative and value-added content it provided) and innovativeness (in terms of its early use of SMS alerts).

5.3. Days Inn

To reach younger travelers via their mobile phones, Days Inn UK developed a location-based mobile information and reservation campaign enabling consumers searching for hotels in the United Kingdom to view a Days Inn mobile ad with click-through features for calling specific hotels or making online reservations. Related to our study findings that usefulness and risk avoidance are significant factors influencing Western European consumers’ attitudes and mobile participation, the Days Inn UK mobile campaign helped travelers find information on lodging choices, incentives, and deals specific to their location. Additionally, Days Inn marketers made a point of stressing that no personal information would be disclosed or shared with third-party companies in the process.

5.4. Volkswagen Europe

As part of the launch of its new Golf model, Volkswagen (VW) Europe created a mobile application via which interested car buyers could connect to and obtain information about the vehicle; this included exclusive video content and the ability to design a custom Golf. Besides leveraging consumer innovativeness and explicitly communicating the security of personal information, this campaign resulted in more than 25,000 mobile site visits and a 2% click-through rate from the site to dealerships.

5.5. Volkswagen China

Much like the VW Europe initiative, to launch its Phaeton model, VW China created a mobile campaign featuring mobile ads, games, blogs, and dealer locators. Prospective customers could identify a local VW dealer, visit it, test drive the new Phaeton, and share their test drive impressions with friends. This campaign aligned with our study findings that for Chinese consumers, usefulness, personal innovativeness, and
attachment are key drivers influencing consumers’ attitudes, mobile participation, and mobile activity.

5.6. Starbucks China

In another example of how brands in China are seeking to forge closer relationships with younger consumers, Starbucks recently held an ‘art painting star search.’ Under the guidelines of this campaign, Starbucks customers could create artwork based on a new coffee bean Starbucks was introducing, and then post their entries on the promotion’s mobile site. Individuals could then send SMS messages to specific artists, and the artists could respond by explaining their work and the stories behind their paintings. This campaign tapped into our findings suggesting that mobile phones in China represent an ideal platform for personal and social attachment.

6. Lessons for managers

Forecasts indicate that by 2014, there will be a 90% mobile penetration rate and 6.5 billion mobile connections worldwide. Anticipating this, our findings highlight the importance of managers across markets recognizing the extent to which the usefulness of a mobile campaign—along with how it leverages the individual characteristics of innovativeness, personal attachment, and risk avoidance—works to influence mobile marketing attitudes and activity. Given the rapid pace of development in the industry today, one can only imagine how future mobile device breakthroughs in markets like the United States, Europe, China, and others will foster even greater consumer acceptance of mobile marketing activity.

6.1. Think about customers first

Although our findings suggest more similarities than differences with respect to Generation M, managers should first think in terms of an overall consumer-focused strategy and seek to tap into the individual characteristics of innovativeness, personal attachment, and risk avoidance. Marketers need to think about where their customers live, and what cultural and social forces may influence their behavior in the mobile space. Beginning with what we call the usefulness factor, it is critically important for marketers to recognize what is relevant, meaningful, or both to their customers, and to think of usefulness as the first lever to influence more positive attitudes toward mobile marketing and increased mobile activity.

6.2. Innovate!

One current example foretelling the future potential of location-based mobile platforms involves SCVNGR. As its website (www.scvngr.com) claims, the company has developed a mobile platform allowing users to, for example, visit a local restaurant, undertake various challenges related to the restaurant, and earn points and rewards, all on the spot. For instance, an individual could check in with SCVNGR at his/her favorite burrito joint and decide to undertake one of several offered challenges while there. It might be to post something about his/her favorite food item, snap a picture, or create a tin foil origami and upload a picture of it on SCVNGR. By completing challenges like these, consumers can earn points to redeem for free items. Given our findings suggesting the role of perceived innovativeness as a personal characteristic leading to greater mobile activity, companies that develop creative and unique mobile campaigns will stand a greater chance of engaging their customers—both today and tomorrow.

6.3. Leverage personal attachment

Managers should also keep in mind that mobile engagement with consumers enables them to tap into two unique benefits: (1) mobile technology is becoming increasingly location based and, thus, frees marketers from reaching consumers only within the physical confines of the home or office and (2) mobile devices are a highly personal, engaging, and interactive medium (Pura, 2005; Shankar et al., 2010). While traditional media, such as out-of-home advertising, can be based on location, it is neither as engaging nor as interactive as mobile advertising. Further, while the fixed Internet can represent an engaging and interactive medium, this engagement and interaction is not linked to the consumer’s location. Here lies the significant potential of mobile marketing, particularly given our findings in all three markets that personal attachment to one’s mobile device can significantly influence consumers’ attitudes toward and participation in mobile marketing activity.

6.4. Earn their trust

As mobile marketing budgets continue to rise, it becomes ever more important for marketers to understand how youth consumers perceive mobile interactions with companies, particularly as regards reaching consumers across different markets and cultures. Based on our research involving both firms’ mobile marketing strategies and consumers’ media consumption activities across global markets, we
propose that it is becoming increasingly important for companies seeking greater long-term engagement with younger consumers to design their mobile marketing strategies by first defining an overall trust-based strategy that will help facilitate or stimulate ongoing consumer activity resulting from their mobile experiences. For instance, in some markets (e.g., Western Europe), risk avoidance remains a central limiting factor to consumer acceptance of mobile marketing; thus, firms seeking to foster greater consumer engagement will need to particularly consider trust development in the mobile space.

7. The future of mobile marketing

Because the unique differentiator of the mobile marketing platform is marketers’ ability to reach consumers untethered in the context of their daily routines and lifestyles, and not just in the context of their offices or living rooms, it opens up an entirely new suite of applications allowing marketers to reach consumers with contextually relevant advertising and promotions. Based on our findings involving factors related to both usefulness and innovativeness, we propose that developments in augmented reality will drive firms’ use of mobile devices for marketing in the near future.

As evidenced by Time magazine’s recognition of it as one of the top 10 tech trends for 2010 (Bustillo & Zimmerman, 2010), augmented reality delivered through mobile devices is increasingly becoming accessible to both brands and consumers. Imagine strolling down one of the picturesque canal streets in Amsterdam looking for that studio apartment you have always dreamed of. While you may see apartments for sale, the frustrating part of this situation is that without the aid of a realtor, your knowledge of what is on the market is limited. Next, imagine that same stroll; however, this time you have an augmented reality application on your mobile phone enabling you to scan the buildings you pass and view detailed information about specific properties for sale—information layered on top of those same properties you see on your phone screen. Certainly, future developments like this will help companies continue to leverage younger individuals’ interest in creative, innovative new ways of interacting with technology and their feelings of attachment to their mobile devices—as long as companies first foster trust in these efforts.

References


