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Master Thesis
Mobile Marketing: Study of ICA - Correlation between mobile marketing and customer loyalty

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ABSTRACT

Title: Mobile Marketing: Study of ICA – Correlation between mobile marketing and customer loyalty

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Aim: Having loyal customers is a key for successful organizations. There is increased complexity and competitiveness in the market place as regards to what companies need to do and how to do them in meeting the needs of customers. Is that why companies today are exploring the potentials of mobile phones to ultimately earn customers’ loyalty? However, there is not much research done in this area, especially in finding correlation between mobile marketing and customer loyalty. Thus, this research aims to examine correlation between mobile marketing and customer loyalty.

Method: Data collection methods included literature reviews, a questionnaire and interviews. These were analysed by hypothesising, comparing with theories, and the use of descriptive analysis, correlation, and other methods presented as discussions, tables, and charts.

Results & Conclusions: The theoretical and empirical research findings show that customer loyalty is positively related with mobile marketing. Use of mobile marketing such as mobile application, mobile web and SMS can perhaps enhance customer loyalty by meeting the demand of customers; increasing interaction and communication with customers; and increasing customer satisfaction. However, due to the research limitations and due to the fact that mobile marketing is a relatively new field of study, it needs some more time and more extensive research to make a general assumption about relationship between them and the strength of such relationship.

Suggestions for future research: For further research, more extended research with broader samples is essential. It will be also crucial to investigate how much of an effect mobile marketing has on customer loyalty by scrutinizing company’s cost and profit measurements of mobile marketing besides opt-in and opt-out measurements of customers.

Contribution of the thesis: We hope that this research has scratched the surface to this new field of study and made an addition to existing theory. It also stirs up interests in the emerging research on mobile marketing’s untapped potentials.

Key words: Mobile Marketing, Customer loyalty, mobile phone, customer satisfaction, communication with customers.
# TABLE OF CONTENTS

1. INTRODUCTION ......................................................................................................................... 1
   1.1. Problem Background and Discussion ............................................................................. 1
   1.2. Aim & Purpose .................................................................................................................. 5
   1.3. Thesis Statement ............................................................................................................. 5
   1.4. Research Questions ....................................................................................................... 5
   1.5. Research Hypotheses ..................................................................................................... 6
   1.6. Research Dispositions ................................................................................................... 6
   1.7. Delimitations .................................................................................................................. 7
2. METHODOLOGY ...................................................................................................................... 8
   2.1. Choice of the subject ..................................................................................................... 8
   2.2. Research Problem Formulation .................................................................................... 8
   2.3. Research approach ....................................................................................................... 9
   2.4. Case study approach .................................................................................................... 11
   2.5. Data collection ............................................................................................................. 12
   2.6. Data Analysis ................................................................................................................ 16
   2.7. Research process ......................................................................................................... 16
   2.8. Research Validity and Reliability ................................................................................. 17
3. THEORETICAL STUDY ........................................................................................................ 20
   3.1. Mobile phone ............................................................................................................... 20
   3.2. Customer loyalty ......................................................................................................... 22
   3.3. Promotion .................................................................................................................... 26
   3.6. Some critics about mobile phone ................................................................................. 30
   3.7. Neuromarketing in Mobile Marketing ......................................................................... 31
   3.8. Mobile Marketing Strategies ....................................................................................... 32
   3.8.1. Short Message Service (SMS) .................................................................................. 33
   3.8.2. Mobile Web ............................................................................................................. 34
   3.8.3. Mobile Applications ............................................................................................... 35
   3.9. Mobile Customer Relationship Management ............................................................. 36
   3.10. The potential benefits of mobile marketing ............................................................... 37
4. EMPIRICAL STUDY ............................................................................................................... 45
   4.1. Background of the case company ............................................................................... 45
   4.1.1. Presentation of ICA ................................................................................................. 45
1. INTRODUCTION

Starting with the background of the problem, this chapter will present the research aims, research questions, and hypotheses of the study. At the end, research disposition will be presented.

1.1. Problem Background and Discussion

**Market changes:** Markets have been changing over time and are still changing fast. New markets are emerging continually, and communication channels about products and services and selling them are changing at a revolutionary pace (Kotler, 1999). Thus, marketing is also changing to meet those changes in the world. Mobile marketing, experiential marketing, relationship marketing, and others are the signs of these changes.

It was just few decades ago, when marketing approaches and strategies were focused more on business, industries, and manufacturing companies. This was because there were not enough suppliers who met the demands by customers in the past (Kotler, 1999). Thus, even a company lost its customers, there were always enough new customers coming and hence the company kept its profit within possible levels. Traditional marketing thus was focused on the businesses, sales, and profits of companies.

However, today markets and the business environment have changed and become more complex and competitive as a result of globalization, innovations and, more importantly, information and communication technology (IT) improvements (Kotler, 1999; Donaldson, B. and O’Toole, T., 2007). Losing customers is no more an option. Thus, contemporary marketing now focuses more on their customers and their loyalty rather than business itself. Because modern companies have learned that if they take care of their customers, the market share and organizational profit will also follow rise.

It is said that the key drive of customer loyalty is customer satisfaction (Donaldson, B. and O’Toole, T., 2007). Therefore, companies are struggling to sense, serve, and satisfy the needs of their customers by delivering high quality and value for them (Kotler, 1999); which leads to a high level of customer satisfaction and later loyal customers. According to the Fourth Annual Marketing and Media Survey, conducted in December 2009 by Datran Media, over 70% of marketers and businesses expected to focus on learning customers, over 60% on customer retention and loyalty programs, and approximately 40% was attempting to win back
customers (MarketingProfs, 2010). Consequently, creating loyal customers is perhaps at the heart of the marketing thinking and practice.

Even though customer satisfaction drives customer loyalty, it suggested that care must be taken for customers (Donaldson, B. and O’Toole, T., 2007). As Philip Kotler (1999) describes in his book, the goal of marketing today is to create customer satisfaction and firms’ profitability by building valued relationships with customers. Intense communication and interaction strengthens relationship or bond with customers and thus creates more loyal customers (Donaldson, B. and O’Toole, T., 2007).

**Interactive technology**: In addition, those (above) market changes move the marketing generation (industrial age) to an ‘information age’ and later to a ‘relationship age’ (Keith, F. and Tahl, R., 2005). Today, information and communication technology (ICT) developments and innovations are playing a vital role in the contemporary market (Naudé, P. and Holland, C. P., 2004; Brady et.al, 2008). For instance, in traditional marketing, advertising was broadcasted and taken place through phone, radio, posters, and television, etc. However, ICT improvements and developments have enabled marketing with broader possibilities and advantages including internet and wireless networks. Now technology has made it even broader with mobile devices and phones.

**Mobile marketing**: As a result, this opportunity has brought ‘Mobile marketing’, which is a relatively new marketing technique, basically on or with a mobile device. Besides, businesses and companies find mobile marketing very essential, since mobile itself is a very direct way to reach thousands and millions of customers whenever and wherever in seconds (Haig, M., 2002; Richardson, N., 2010). Mobile devices (smartphones) advantages lies in the technological improvements that made various functions (including television, internet, camera, SMS, etc) possible in only one little device, in addition to the traditional role of a phone call (Steinbock, D., 2005; Schierholz, R., 2007). Moreover, according to Tim Bajarin, a technology columnist and principle analyst at Creative Strategies, all mobile phones selling will be ‘smartphones’ by 2018 (Fiegerman, 2011), and mobile marketing is expected to be the biggest advertising platform by 2020, exceeding TV and internet by reach, engagement and advertisement revenue (Waele, 2010).

According to the Swedish Institute for Advertising and Media Statistics (IRM, 2007), before the year 2007, the growth rate of mobile marketing in Sweden was over 200%, with sales of 42 million Swedish Kronor. The survey conducted by eMarketer digital intelligence by the
end of the year 2011, shows that spending on mobile advertisement through smartphones and mobile internet set stages will increase over the next five years in the US (eMarketer, 2011).

**Mobile Marketing in retail chains:** The survey by eMarketer (2011) also shows that mobile advertising spending today is mostly on messaging based advertising. Messaging is particularly used by retailers, restaurants, broadcasters, etc. Because, in today’s shaky economy, many businesses and especially retail stores are engaged in tough competition for customer interest and profits, as customers tend to go for cheaper price offerings by substitutes and competitors (Chandon et al., 2000; Donaldson, B. and O’Toole, T., 2007). Thus, it is important for them to develop more creative and innovative ways to communicate with their customers and boost their loyalty.

According to the conference material by Deloitte (2007) on ‘Nordic Powers of Retailing 2007’, the top 100 retailers are predominantly in home and leisure products (43%), groceries (35%), and fashion (14%), and mostly are Swedish retailers. Furthermore, these shares greatly change in the Swedish case. Regarding the ten biggest retailers in Sweden, 50% of retailers are in groceries, 20% in home and leisure, and 10% in fashion. One of the biggest challenges they face is how to channel retailing and how to meet customers online (Deloitte, 2007). If the greatness of ‘internet marketing’ has already been explored and well known for many businesses, ‘mobile marketing’ on the other hand offers more than internet marketing with greater interactive and relative manners (Lake, 2011).

**Mobile marketing in groceries retailers:** In Sweden, food retail stores such as ICA, Coop, and Willys have integrated mobile as a new marketing channel, and even find it as their future marketing potential (ICA, 2011). They create simple web pages for mobile, send food coupons, information and reminders via SMS and emails, and offer various mobile applications with food recipes, personal accounts, personal offers, and location maps.¹ ² ³ Perhaps, these retail stores are turning to mobile marketing to interact with their customers and to promote their loyalty by strengthening customer relationships, as well as increasing customer satisfaction. This interactive technology like mobile can empower businesses to engage its customers by developing relationships and communications with individual customers and also enable customers to gain access to information faster and simpler (Godin, 2006).

¹ [https://www.ica.se/Mina-sidor/icas-app-for-iphone/](https://www.ica.se/Mina-sidor/icas-app-for-iphone/)
**Mobile marketing trend:** Referring to the increased relevance of mobile marketing, Salo J. *et al* noted that the change in the market place as to the regards to the conduct of business shows that telecommunication systems have come to stay, and they have come into the heart of businesses today (Nysveen *et al.*, 2005 cited in Salo J. *et al* 2008). Bajarin said that “even today, the money that is made is not on the phone itself but on the services” (Fiegerman, 2011). Thus, business should take this advantage and revenue opportunities for their future potential in favor of smartphones with a greater marketing promotion for customer loyalty. Consequently, mobile can be perhaps used to generate customer loyalty by increasing communication with customers and raising their satisfaction.

Many companies and businesses recently tend to engage in Mobile marketing to increase their customer loyalty through increasing communication with their customers and raising customer satisfaction (Petruzzellis, L., 2010; Lim *et al.*, 2006; Ogba, I. and Tan, Z, 2009). For example, furnishing retailer IKEA saw mobile as a next step after online and launched its mobile loyalty program by sending coupons and discounts to interested opt-in customers via mobile, where it’s customers are (Alam Khan, 2008). It seems that mobile is one of the effective marketing channels to reach customers and promote customer loyalty.

However, as mobile marketing is relatively a new concept, there are still many companies and businesses that are unaware of this marketing approach and even others that hesitate to integrate mobile marketing due to some difficulties (Susan, 2011). According to the Fourth Annual Marketing and Media Survey conducted in December 2009 by Datran Media, even though it contains all other channels such as email (39.4%), search (23.6%), display (7.1%), direct mail (6.3%), and social media (4.7%), etc., mobile marketing shares only 0.8% of all of the strongest performing advertising channels combined (MarketingProfs, 2010).

Nevertheless, if companies and especially retail stores do not change with regard to those changes and stay with the old approach, they might not benefit from the unique advantages of mobile, and this great potential of mobile as it is the closest and most direct way to reach customers, in addition to its potentials of surf pad, television, radio, camera, game and lot more including phone calls, SMS and email. In other words, they might lose their potential to promote customer loyalty and profit from it.

**Studies on mobile marketing:** Mobile marketing has been improved and has generated increasing interest in academia and in industry (Leppäniemi & Karjaluoto, 2008; Barutcu, 2008). However, as it is a relatively new marketing technique there are not many studies,
which have shown the association between mobile marketing and customer loyalty. Therefore, there is a significant need to explore and examine mobile marketing to the promotion of customer loyalty, along with customer satisfaction and communication with customers.

As a result, we find mobile marketing as an emerging future marketing technique, which is important for business and especially retail food stores in their promotion of customer loyalty, since food is an everyday life product unlike leisure, holiday, beauty and fashion goods and services. Therefore, this topic will be very interesting and vital for further research and studies for us.

1.2.  Aim & Purpose

By examining a case company - ICA, the purpose of this research is to study the effect on customer loyalty if the company promotes its products through mobile devices.

1.3.  Thesis Statement

Mobile Marketing: Study of ICA - Correlation between mobile marketing and customer loyalty

1.4.  Research Questions

Main research question: In order to guide our aims, the main research question would be:

*Is there any association between mobile marketing and customer loyalty?*

Underlying (objective) questions: The literature studies suggest to us that customer loyalty is basis of customer satisfaction. However, it is not only satisfaction that leads to the loyalty, but also strong relationships which result in interactive communications with customers (Hennig-Thurau et al., 2010; Hub, 2005; Kotler & Armstrong, 2001; Palmer & Koenig-Lewis, 2009). Furthermore, customers can be satisfied when their expectations of transactions or information matches or exceeds their perceptions (Gilmore & McMullan, 2009; Cardozo, 1965; Parasuraman et al., 1991). If mobile is one of the most effective ways to provide information that customers want, customers might be satisfied (Jenkins, 2006; Ling, 2004; Friedrich et al. 2009; Ang & Buttle 2006; Antoine 2004; J. H. Kim & Lee 2005; Hennig-Thurau et al., 2010, Gudonaviciene & Rutelione 2009; Entsua-Mensah, 1996; Hennig-Thurau et al., 2010).
In order to find the answer to our main research question, we have thus formulated the following objective questions to guide the research and indicate the association between key variables.

1. Is there any association between mobile marketing and customer satisfaction?
2. Is there any association between mobile marketing and communication between the company and its customers?
3. Is mobile marketing an effective way to provide information that customers seek?

1.5. Research Hypotheses

During the process of theory and literature study, we have found some assumptions and formulated them as our hypotheses in order to examine association between mobile marketing and customer loyalty. The research hypotheses were divided into following three categories.

1. There is a relationship between mobile marketing and customer satisfaction.
2. There is a relationship between mobile marketing and communication between customers and the store.
3. Mobile marketing is one method of effective marketing.

1.6. Research Dispositions

The disposition of the research is as follows:

i. A title page: presents the name of the university, the title of the research paper, date of preparation, the name of the authors, and the name of the seminar leader, supervisor and examiner.

ii. Acknowledgement: shows how we are deeply indebted to the people who helped us and supported this research.

iii. Abstract page: shows a general picture of the paper including aim of the study, methods used, results and contribution of the study.

iv. A content page: presents the list of the content with page numbers.

1. Introduction: starting with the background of the problem, explains motivation, aims, problem formulation, and delimitations of the study.
2. **Methodology**: gives a picture of the research type, methods, and approaches to data collection (including questionnaire and interview situation) and data analysis method with standing motivation.

3. **Theoretical discussion**: provides information based on the theoretical models and assumptions studied in various relevant literatures and books. A model of the research is also formulated.

4. **Empirical Study**: presents the case study company, ICA, in general and reports the results of the questionnaire and interviews.

5. **Analysis/Discussion**: analyses and discusses the findings and results by reflecting on both empirical and theoretical studies.

6. **Comments/conclusions**: shows the findings and results of the study and gives comments and suggestions. Future studies are also suggested.

7. **Implementation for ICA**: presents comments and suggestions specifically for ICA.

8. **References**: provides the list of all references which have been used in the paper according to Harvard system in an alphabetical order.

9. **Appendix**: provides appendixes shown in the research.

### 1.7. **Delimitations**

The research could be done in different ways with various resource possibilities. Since the researchers of this paper are foreign students with limited resources, some limitations have been made in order to get the best possible results of this study.

First of all, it is essential to point out that this research focuses on the association between mobile marketing and customer loyalty. Second, the research is focused on only one type of market - grocery retailers and specifically, grocery retailers in Sweden. Furthermore, we have studied only one case company – ICA, which has more than 50% of the food market share in Sweden. Third, the survey was conducted in five different locations (Solna, Stockholm, Gävle, Karlskrona and Sandviken) in Sweden and selected from a sample of 82 customers. Lastly, six interviews were taken from owners and employees of ICA stores with different sizes (ICA Nära, ICA Supermarket, and ICA Maxi) in different cities (Solna, Linköping, Karlskrona etc).
2. METHODOLOGY

In this chapter, we will first present why we have chosen this topic and then how we formulated our research problem. Later, we will discuss research approaches including a case study, interviews, and a questionnaire. Afterwards, research processes, data collection, and data analysis will be presented. Finally, we will discuss research reliability.

2.1. Choice of the subject

Curiosity and interest is a unique feature of all human beings. Human’s curiosity to know about ourselves and others things is endless (Nair, 2009). We, the authors of this research, both have smartphones, and mobile phones are in fact a part of our lives and works. The mobile phone today is not only for calling and messaging, but also for information, communication, and interaction on a daily basis. We are always curious about what is forthcoming in the mobile market, where we can find applications, and who provides us offers with endless possibilities.

Now studies say that all mobile phones selling in 2018 will be smartphones (Fiegerman, 2011), and many businesses especially business to consumers (B2C) such as restaurants, fashion, and home leisure stores are gradually moving to mobile marketing and find it as their future potential. For instance, we both use food retailers’ mobile application daily to find out stores, offers, discounts, and even a good recipe for today’s meal.

However, even though we know everything about our mobile phones, we lack the knowledge particularly about what mobile marketing is about and how mobile marketing affects our awareness of a brand, our satisfaction, relationship with the stores and hence our loyalty to them.

Therefore, yet with innumerable questions arisen, along comes this idea for us to find answers to them: “How mobile affects customer loyalty? Is mobile an effective marketing channel?” by systematic research with a case study of ICA (our favorite), one of the biggest grocery retail stores in Sweden as well as in Scandinavia. Since we live in Sweden, taking a case study of a Swedish company would be natural and become an advantage in our case.

2.2. Research Problem Formulation

According to Dhawan, Sanjeey (2010), defining a research problem properly and clearly is an important and crucial part of a research study. The most basic approach to formulate a
research problem is to set a research question, which guides and defines the research study (Dhawan, 2010). However, Dhawan (2010) says that such an approach is generally not productive since it is mostly in broad and general terms.

Therefore, we have followed certain steps to formulate our research problem. The research problem is formulated as a result of the statement of the problem in general way, an understanding of the nature of the problem (including studying the available and relevant literature reviews), and finally through development of the ideas through discussions (Dhawan, 2010).

2.3. Research approach

**Research method:** This paper is a scientific research paper with systematic and logical studies. Since an arbitrary method is based on imagination, opinion, or blind belief, we recognize this approach not as effective as a scientific approach due to our inadequate knowledge (Nair, 2009). Therefore, the scientific method is specifically chosen because it eliminates the drawbacks of the arbitrary method (Nair, 2009), and hence we find a systematic rational approach an effective and efficient way to find answers to our questions and solutions to problems by seeking accurate and supportive facts, and by “systematically, controlled, empirical and critical investigation of hypothetical propositions…” (Nair, 2009, p.7).

The scientific method is thus used by considering the research objectives, utilizing relevant concept, relying on empirical evidence and critically analyzing and testing the conclusions through hypotheses, which verifies a predictable research statement by the scientific method.

**Research approach:** Two broad methods for reasoning in research are inductive and deductive approaches (Burney, 2008). An inductive approach goes mostly from specific observation to generalization or theory (Burney, 2008). We find that an inductive approach is not appropriate in our case due to its great necessity of time and lack of insight information.

Therefore, this research will be carried out by a deductive approach, because it tolerates us to get results by logically reasoning theoretical studies and by testing it on the empirical study (Connaway and Powell, 2010). Consequently, a combined or paired study of theoretical and empirical research plays important role in this research (Nair, 2009, p.8). Empirical research helps us to deflect or to clarify the theory that provides us reliable predictions and assumptions for the further research. Therefore, by verifying new theoretical facts and by
testing them in the empirical study, we will then analyse and explain the sequences and interrelationships between the variables.

Hypothesis plays a vital role to logically reason and deduct the theoretical findings and later to test it in the practical studies by discovering ideas and insights. Therefore, we principally concentrate on setting the hypothesis to test the theoretical facts with the empirical facts by analyzing the relationship between dependant and independent variables in order to increase reliability and reduce biasness (Dhawan, 2010). In this research, the evaluation process and analysis techniques are applied critically and accurately (Nair, 2009). Hypotheses play an important role in our study, since it guides us by delimiting the area of the research and to keep us on the right track (Dhawan, 2010).

**Research design:** We have tried to look on the issue from not only one, but also from different angles and perspectives, because it advocates an appropriate study, providing opportunity and flexibility for considering different aspects of the research problem (Dhawan, 2010). Furthermore, it gives us a better picture and decreases the drawbacks of one another. Therefore, the following three contexts of the research design are generally applied in this paper, as they provide us with an opportunity for considering different aspects of the problem (Dhawan, 2010).

i. *The review of the relevant literatures* – We have built the knowledge by reviewing and abstracting the data and information already done by others for formulating the problem concisely and developing the hypotheses clearly.

ii. *The experience survey* – We have conducted a survey of a specific population who have had practical experience with the problem. This was done in order to obtain valuable data for the research and provide insights into the association between the research variables.

iii. *The analysis of ‘insight-stimulation’* – We have conducted interviews to obtain diverse information from the case company to confirm the findings of the research (Dhawan, 2010).

**Research approach:** Two basic approaches to the research are a **quantitative approach** and a **qualitative approach**. This research carries out both approaches in order to provide high quality and reliability, as these approaches are complementary to each other. A quantitative approach is based on the quantity or the amount, in our case a sample of people surveyed. Whereas, a qualitative approach (in our case, the interview) is used to fulfil the drawbacks of the quantitative approach of the study.
As Nair Suja R. (2009) said, “marketing is about seeking profitable satisfaction of market needs”, thus it is important to clearly understand the markets and the underlying needs and requirements of the consumers. Therefore, the quantitative approach is particularly chosen to study and understand the customers and their needs of mobile marketing (from consumer perspective).

Furthermore, the quantitative approach (a questionnaire) is conducted in order to examine interrelations between the research variables and later draw assumptions under some given circumstances. The approach draws on numerous statistical tools such as correlation, regression, Cronbach’s alpha, and many more including SPSS and Excel programs, because these help us to make analysis and draw assumptions from the results (Nair, 2009).

On the other hand, the qualitative approach is conducted in order to understand mobile marketing from the company perspective. Moreover, the qualitative approach is chosen because of the nature of the variables, which are non quantitative terms such as customer loyalty, customer relationship, customer satisfaction and mobile marketing strategies. In addition, the approach helps us to obtain more insight information that cannot be acquired by quantitative survey (Nair, 2009).

There are many types of methods to the qualitative approach, including group interviews, in-depth interviews, and projective techniques etc. However, in this research, an interview method is conducted, since it is one of the most efficient qualitative data collection methods (Qu and Dumay, 2011). It allows us to obtain and discover insights and understanding of individual’s opinion, memories, feelings and interpretations that research cannot observe and discover in other ways (Gilmore and McMullan, 2009).

### 2.4. Case study approach

The case study is one of the most widely used types of research methods. This approach is seen as more qualitative and has been used for testing of theory following deductive logic of the research (Connaway and Powell, 2010). We have used the case study approach because it helps the researchers to investigate an issue in depth and provides an example for complexity and real life situations. The case study is one of the key approaches in this research, since it helps us to compare with theory, explains the causes of relationships and events, and makes us see how a particular theory applies in the case or real life situation (Connaway and Powell, 2010).
In order for to use an in-depth comprehensive study, we have chosen the company ICA. As mentioned previously, ICA is the biggest Swedish and Scandinavian grocery store (Deloitte, 2007). Also, we find ICA as a good in-depth sample representing other retailers, as it shares over 50% of the Swedish grocery store market (Knut, 2009). In addition, ICA is our favourite grocery store to shop for food, and is one the early adopters which turned to mobile marketing (ICA, 2011). Thus, it was a realistic choice for us to select ICA over other groceries stores like Coop and Willys etc.

We have done analyses on the case study about the company’s history and contribution to mobile marketing based on the available information on the company’s home page, annual reports, and other available sources. The empirical studies including interviews and a questionnaire are done within the case company. The analyses are done based on the theories and techniques we have discussed in the theoretical part; including various mobile marketing strategies, customer loyalty, customer satisfaction, customer relationships, and communication with business.

### 2.5. Data collection

In order to meet the various requirements of the research, both primary research and secondary research are involved in this paper to collect information and data. According to Nair (2009), primary research involves gathering information that may not have previously existed directly from the markets and consumers, while secondary research involves recognizing and abstracting relevant information that has been collected for some other reason.

**Background study:** First of all, we have done secondary research on the key concept and the research variables of the paper by identifying and abstracting relevant information and data in order to understand the basic fundamentals and background for the problem formulation and research proposal. Also, secondary research has been done to support the findings and the result of the research in the analysis and conclusion as well as suggestion parts.

**Theoretical study:** Furthermore, the secondary research is carried to build the theoretical framework through relevant various scientific researches. These researches include scientific journals, course books, as well as other publications and business websites.

**Empirical study:** Our empirical data is collected through both secondary and primary research. Secondary research including literature and internet reviews is done to collect
crucial information about the case company and its contribution to mobile marketing. Available information at the company’s home page, the company’s annual reports, the journal articles, literatures, and other sources are identified and abstracted to relevant information.

Furthermore, we have done the primary researches by using two research approaches: a quantitative approach (survey) and a qualitative approach (interview).

**1. Questionnaire:** Thus, a survey/questionnaire has been conducted from a sample of 82 consumers at ICA groceries retail stores in Solna, Karlskrona, Gävle, and Stockholm throughout December, 2011.

Our aim of the survey is to collect valuable information and data on mobile marketing and customer loyalty from consumers’ perspective by investigating their various behaviors such as communication with customers, customer loyalty, and satisfaction with respect to mobile marketing by companies.

Therefore, when we created the sample of the survey, we attempted to gather information from a wide range of consumers. According to the study, young people tend to be the most immersed into new technology, and thus mostly young people have smartphones. However, we did not aim to take a sample from only young people and also people who have smartphones, but every consumers of the ICA. Because, studies show that all mobile phones selling in 2018 will be smartphones (Fiegerman, 2011), which means that soon or later, everybody including older ages of the population will move to smartphones as well.

In addition, the survey was conducted at different branches of ICA, where the respondents shop for their food and daily life products. The characteristics of the respondents is therefore actual users as well as potential users of smartphones, native and non-natives, male and females, adults and children, who live in Stockholm, Sweden, ranging from various ages.

Before conducting the actual survey, the survey was tested two times. During the testing, 10 respondents each took the survey first and then answered questions based on the survey including easiness, hardness, sensitivity of the survey, and other comments that they experienced during the survey. The respondents (in total 20 people), found that the questions regarding mobile apps were a little bit hard to answer, and they were annoyed to answer open ended questions. They also preferred a one page survey. Thus, we accordingly updated the survey two times. The questions were simplified and made easier to answer. A survey with intangible terms like customer satisfaction, loyalty, etc. requires many questions and is very
long. However, we found that during the test survey the longer that it got the more questions that got wasted and answered incorrectly, which led to inappropriate data collection. Thus, we reduced the number of questions and made the remaining ones of a higher quality. Therefore, our survey is short and simple to answer for the respondents and thus relevant.

The questions of the survey were formulated by the researchers. The survey questions were made in an effective way that started with the basics to create an interest and to recall respondents’ experiences so they answer appropriately and later led to the details and deeper questions. The survey instrument was designed according to methodology of marketing research and translated into Swedish to decrease the risk of misinterpretation and to get appropriate and accurate information from the respondents (see Appendix).

The survey methodology required that the questionnaire should be completed by the customers with assistance of the researchers as required. If the respondents did not understand and know some terms in the questionnaire, they were explained in their appropriate language (Swedish or English). In order to decrease incorrect and missing answers, the answers were checked by the researchers and if there were such answers, the respondents were asked to correct them or complete them.

The questionnaire has been conducted in the best possible way for the researchers as students. The survey was taken from 82 customers of ICA in different cities in Sweden including Stockholm, Solna, Gävle, Sandviken, and Karlskrona, in order to get a higher representative sample of the population. However for professional companies and people with greater money and human resources, the survey could be taken from more people and other places in the future.

Since various types of consumers responded, the survey provides us valuable, qualitative, and reliable information and data that haven’t been supplied by other researches.

2. Interview: We used a qualitative approach in order to fulfil the drawbacks of the survey and to collect information about mobile marketing and customer loyalty from the company’s perspective. The aim of the interview was to obtain valuable insightful information about ICA’s mobile marketing strategies and the mobile effect on their customers and sales that could not be found through the survey.

Our original interview with Samuel Young, the Director of Digital Marketing Communication at ICA, was cancelled as we waited long for the scheduled time. Despite the fact that we had
contacted over 10 people including Håkan Sjöstrand, Chief Marketing Director, and other top managers at ICA, it was impossible to get an interview with a person at the marketing department of ICA.

On the other hand, we conducted six interviews with various ICA stores. In order to get a representative sample for our interview, we contacted five ICA stores with different sizes and locations. The interviews were taken from directors, managers, and personnel at ICA stores in different cities including Karlskrona, Solna, Linköping, Skrapan, and Västerås. Since the researchers are students with limited financial resources, and it requires resources to travel far away for an interview in different cities throughout Sweden, we conducted the interviews via telephone calls (5-15 minutes) and email throughout January. By doing this, we could increase the reliability of the research.

The questions of the interview were formulated by the researchers. We selected the structured interview method from a neopositivist view (Alvesson, 2003) in order for insight information about the case company, since this method helps to produce relevant and accurate responses with minimal bias. In other word, interviewer stays neutral to what interviewee says (Alvesson, 2003). We have formulated the interview questions as “the structured interview is where the interviewer asks interviewees a series of pre-established questions, allowing only a limited number of response categories” (Qu and Dumay, 2011).

The interview questions were also made in an effective way that started with the basics to create an interest and to recall respondents’ experiences so they answer appropriately and later led to the details and deeper questions. Besides, our interview was also flexible. Therefore, based on the store’s background, and answers to the questions, the interview questions were different for different stores. In most cases of emails and telephone calls, we conducted those with the support of a Swedish translator (see Appendix).

Finally, as Alvesson (2003) said, the interview questions, the interviewer, and the interviewee are the three things that are very important in the interview. In order to obtain honest and relevant responses, we tried to form a warm atmosphere between us and the interviewees by creating a good line of communication and relationship (Alvesson, 2003) through methods such as formal and respectful emails in Swedish talking about ICA.
2.6. Data Analysis

The approach draws on numerous statistical tools such as standard deviation, arithmetic mean, median, mode, and many more by the SPSS program, because these help us to make our analysis and draw assumptions from the results (Nair, 2009).

Theoretical study: We analyzed the data collected through theoretical study, by applying hypotheses approach. Hypotheses help us to get an overview image of the theoretical study and gather empirical findings guides to test. It basically guides us clearly during the entire research.

Case study: Gathered information about ICA’s contribution to mobile marketing was processed and analyzed. The analyses was done based on the theories and techniques we have discussed in the theoretical part; including mobile various marketing strategies, customer loyalty, customer satisfaction, customer relationship, and communication with the company.

Questionnaire: We did a descriptive analysis and correlation analysis. SPSS and Windows Excel programs were used to process and analyse the data we collected through the survey. SPSS is a reliable computer program for data analysis. We chose this program to analyze and process our data collected, because SPSS allowed us to look at our data, formulate hypotheses for testing, and it also helped us to clarify relationships between the research variables, create clusters, recognize trends, and make predictions (IBM, no date).

In addition, we have done a test to evaluate the statistical reliability of the questionnaire. (See section 2.8 Research validity and reliability for more details). The overall research analyses were done based on theories and empirical studies.

2.7. Research process

Steps in research: It is necessary to present a brief overview of the research process. We designed the research according to steps in research. This provides a chronological process involving a number of clearly shown steps (Nair, 2009), which is seen as guides for the readers to follow easily. Though the order of the steps can vary from writers to writers, it basically moves progressively from one step after another step. In our case, this research follows the six steps by Pauline V. Young (Nair, 2009, p.22).
2.8. **Research Validity and Reliability**

This research deducts the result by logically reasoning the theoretical study and by testing it in the empirical study. In order to decrease biasness and increase reliability, we did the research from both the customer’s perspective and the company’s perspective.

The theoretical and background research is externally valid, as it is based on approximately 130 varies scientific books and articles which are published in international journals and even handouts presented in conferences. Also, about 40 more internet articles and sources by well recognized companies and organizations including ICA and Mobile Marketing Association are used.

Regarding the empirical study, it is based on a case study which investigates the issue in depth and provides an example for complexity and real life situations for testing the theory. The case study company ICA is the biggest Swedish Scandinavian grocery store chain (Deloitte, 2007). Furthermore, ICA shares over 50% of the Swedish grocery store market (Knut, 2009), so we find it as a good in-depth sample representing other retailers in Sweden and even
Scandinavia. Concerning the interviews and questionnaire, to increase consistency, we tried to ask people from various ICA stores with different sizes and locations.

When it comes to reliability and validity in our research, some concerns need to be addressed. In the qualitative part of the empirical study, interviewing key people within the company of ICA, we need to be aware of the potential risks. From one perspective, the personnel in most cases have essential information that adds greatly to our research. The store owners, together with the remaining participants in the head office have a great insight in ICA’s financial situation. Also, how certain investments affect the bottom line result is important. For this reason, we can assert that the questions we truly ask represent a high validity in line with our research questions. There are not much room for misunderstandings when it comes to qualitative questions in a discussion with such qualified people. However, the true intentions from a company like ICA with primarily financial objectives, there is a risk that the information given to us as researches are not one-hundred percent accurate. It is not necessarily in ICA’s best interest to provide us with information that reflects on ICA negatively. This is in issue that adds negatively to the reliability. It is also hard for us to measure to what extent it is a reliability problem since all interviewers are from the same company and gives us about the same result. It comes down to whether each individual participant in the study would have anything to lose by giving us correct information and thus lie to us. When analysing the result of this study the answers will be reflected upon based on these concerns.

When it comes to the questionnaire the researches have faced other concerns. To decrease reliability errors, the survey was carried out with a trial run. During the two trial runs, follow up questions were asked that had to do with people’s perception of the study. Using this method, we were able to catch misinterpretations early on and correct those before carrying out the second survey. This way we decreased the discrepancy between our intentions and how people perceived the questions, increasing the quality of our results. This process added significantly to the reliability of our research. When it comes to the validity, the questions in the survey are in line with our research questions. The questions were fairly simple, and it is very likely that the respondents gave us valid information on the subject. Further on, there were not any comments that the respondents had missing alternatives that rendered the choices inaccurate. According to the reliability test we have done, it is also internally consistent, justifiable, and significant as shown below.
Statistical reliability of the questionnaire was confirmed by its stability and justifiability, regarding Cronbach’s Alpha coefficient at 72%. Internal consistency of the correlations of the variables is between 0.7 and 0.8, which means that the result of this research is reliable and thus acceptable.

Research hypotheses are tested by descriptive analytical method by examining correlations between the variables. This table shows the coefficient of negative and positive correlations at different levels. Correlation coefficients were interpreted as shown in the table.

However, due to the fact that some questions required some technical knowhow and knowledge about mobile phones and so on, there is a risk that primarily older people and people with less advanced phones experienced some difficulties answering some of the questions. This reduces the reliability and validity in that specific segment of people. On the other hand, due to the age distribution of the sample population this problem is less problematic than the age distribution itself. Around half of the participants were 28 years old or below. Because of this the standard deviation curve has a positive skew and thus differs from a standard symmetrical normal distribution curve. This is essential to remember during the hypothesis testing, where we were unable to make conclusions based on the general population and based on ICA’s target group which is middle-aged women. This means that, although, the survey itself has a good degree of validity and reliability, the sample is not representative for the entire population. On the other hand it may well be representative for younger age group, more accustomed to mobile phones and new technology. Thus, the research may well give us insights about today’s young people and possibly tomorrow’s target group.
3. THEORETICAL STUDY

In order to bring the reader to the same page as the authors, i.e. the same level of understanding and perhaps same or similar perception, we first consider the concepts and components of our research. Later, based on the theoretical findings, the research hypotheses will be presented.

3.1. Mobile phone

Much has been written about the invention of the mobile phone; however a quick glance at the history could still be useful in order to appreciate the height of the current development and moreover have an insight into the future potentials. Mobile communications offer wireless connectivity that provides the platform for mobility and computing in many communication environments and the ever increasing demands from social markets are accelerating development of mobile communication (Boudriga, 2009).

Mobile phones have a history divided in phases (Smyth, 2000). The first could be described as the first generation of mobile phones which used multiple cells sites which allowed users making calls to move from place to place without losing their calls. It was based on cellular networks. Of course this drew attention and it did not take too long for it to gain popularity and expansion from region to region. The emphasis was on connectivity and its efficiency (Smyth, 2000).

The second was based on digital networks which meant that transmission of data were digital instead of the cellular mode which was analogue (Smyth, 2000). This led to an explosion in the market as the global market boomed for the mobile phones at this time (Smyth, 2000). The advent of advertising on the phone is traceable to the second generation mobile phone as they allowed media data. Functionalities of the second generation mobile phones included downloadable ringtones, SMS, mobile commercial payments, and the access to the internet.

The gap wasn’t much between the second generation and the third because the success of the second generation was an indicator for heightened demands in the functionalities of the mobile phone (Smyth, 2000). Technically, one significant difference between the second generation and the third was that third generation mobile phones were based one packet switching data transmission rather than circuit switching. There is already an advent of the fourth generation mobile phones (Tseng & Lo, 2011). The offerings of the mobile phone
today especially as regards marketing includes: Short Messaging Service (SMS), Multimedia Messaging Service (MMS), Games, Interactive voice response (where customers calling in can be effectively be served with pre-recorded responses), Internet etc.

The popularity of mobile phones today is not good news to the phone manufacturer or seller alone, but also to every single company that is able to understand the embedded potentials of the mobile phone and take on the challenge of leveraging on the opportunities it presents (Barutcu, 2008). There is no better time than now to explore the exciting opportunities that mobile marketing brings (Friedrich et al., 2009). Unlike in prior years, when only small percentages of the population had mobile phones, today in some regions an average individual has at least two mobile phones (Gapminder, 2011).

In his paper on Consumers’ attitudes towards mobile marketing and mobile commerce in consumer markets, Barutcu (2008) stated that ‘Advances in information and communication technologies are not only offering new marketing channels to companies but also significantly influencing the ways in which companies conduct their businesses and marketing activities’. Writing on the impact of mobile phone in the society Ling (2004) argued that ‘The mobile phone has fundamentally affected our accessibility, safety and security, coordination of social and business activities, and use of public places’ thus if there is any single factor that has had so much influence on the conduct of business activities in the recent past, it is the advent of information technology, and for the purpose of this research – the mobile phone. Barutcu (2008) reiterated that in the 21st century information technology affects everything from daily life to business and it shapes commerce and the ways in which companies implement their marketing strategies.

The mobile phone impact cuts across all ages, colors, races, and languages (Antoine 2004). In fact, it appears that rather than cultural differences across the globe being obstacles or challenges to the mobile phone market, they have since been explored as great opportunities (J. H. Kim & Lee, 2005). In some regions individuals, especially young adults have such unthinkable addiction to their mobile phones such that they are inseparable whether walking, eating, sleeping, running, or driving (Ling, 2004). This presents immense opportunity for a close contact reach (Friedrich et al., 2009). Mobile phone has the following functionalities that make it a very efficient:
Although mobile phone has this great potential, the market is grossly untapped thus organizations need to learn about this (Bauer et al cited in Barutcu, 2008). Today, the usage benefits of the mobile phone are quite more important than technological performance, thus users expect more and more (Antoine, 2004).

### 3.2. Customer loyalty

Customer loyalty is a very vital component of any successful business (Uncles et al., 2003). The primary overall objective of most companies is said to be the maximization of shareholders’ wealth (Dade & Lichtenstein, 2007). This is consistent with what most executives set out to achieve which they spell out as strategic, tactical, or operational goals. Such goals could include the maximization of sales through maximization of customer base (Dade & Lichtenstein, 2007).

Researchers suggest that customer loyalty can be approached in two different perspectives (Jacoby and Kyner, 1973 cited in Hallowell, 1996). These include ‘attitude’ which involves the individuals’ feelings informing their attachment to products, services or the organization as a whole; and ‘behavioural’ loyalty involving repeated purchases, expanded purchases, and recommendations (Hallowell, 1996).
Grocery stores deal a lot with perishable items including farm fresh milk, meats, tomatoes, onion, vegetables of various sorts, fruits like oranges, and apples, etc. (Anckar et al., 2002). All these have short life spans and considering the fact that they constitute a huge chunk of consumers’ investments, much effort is needed to ensuring that the goods are sold (Richards, 2006). One way of achieving this is to ensure that customers come to buy again and again – repeated purchase, and also that customers buy variety of items (Gudonaviciene & Rutelione, 2009).

Managers have since found out that it costs less to retain a customer than it costs to attract a new customer, and ‘that is why customer retention has become the Holy Grail in industries from airlines to wireless’ (Coyles & Gokey, 2005). According to Coyles & Gokey (2005) companies need to do more than just tracking today’s typical metrics of customer satisfaction and customer defection. Companies need to focus on customer loyalty and in fact, according to Coyles & Gokey (2005) companies need to focus on the motives that underlie customer loyalty.

It could be argued that customer loyalty lies in the heart of the several attempts to increase customer base including customer acquisition and customer retention (Hallowell, 1996).

**Customer loyalty**, according to Uncles, Dowling, & Hammond (2003), has outstanding aims which include increasing sales revenues by raising purchase/usage levels, and/or increasing the products range bought from suppliers, and the second more defensive aim is to maintain the current customer base.

Loyalty is a feeling of duty, a feeling of devotion, duty, or attachment to somebody or something. In the context of marketing, loyalty is something consumers sometimes choose to exhibit to brands, services, stores, product categories, activities etc (Uncles et al., 2003). Referring to researchers (Jacob and Chestnut, 1978; Dick and Basu, 1994; Oliver, 1999), Uncles et al. (2003) reiterated that there is no universally agreed definition to the concept of customer loyalty. However they stated three popular standpoints including:

i. loyalty leading to attachment to the brand
ii. loyalty as it relates to trend of activities
iii. buying influenced by uniqueness of individuals
A loyal customer can be such influential to the company that, through the emotional attachment the customer might go out of their ways to be the sales representative of the company, that is, bringing other customers to the company (Ang & Buttle, 2006).

In this time and age, the word-of-mouth advertisement plays important roles in successfully reaching new customers which Westbrook (1987 cited in Steffes & Burgee, 2009) defined as all informal communications sent to the customers. Word-of-mouth as a form of interpersonal communication among consumers is a dominant force in the market place (Mangold et al. 1999 cited in Longart, 2010). It takes a loyal customer as much time to engage in word-of-mouth advertisement as it requires to attempt to persuade a friend or an affiliate to buy a new product or service, which Hallowell (1996) argued could result from customers’ beliefs of profitability...that is receiving more value than other suppliers would give. Moreover, researchers argue that customers trust opinions of their friends and loved ones more than marketing messages about products and services (Jurvetson, 2008 cited in Weber, 2011).

**Customer acquisition** like the name suggests, is all the attempts and efforts of the company put together in other to get the attention, interest, desire and action of the customer (Aryal, 2005). Arguably, the outstanding advantage of customer acquisition is the long-term perspective of increasing customer base. Thus, a company that is adopting an acquisition strategy should think long-term so that the futuristic goal of stabilizing the customer base with maximum value could still be achieved (Banasiewicz, 2004; Venkatesan & Kumar, 2004; Villanueva, Yoo, & Hanssens, 2008 cited in Zorn, 2009).

This follows the St. Elmo Lewis popular AIDA model.
Thus it could be said that the focus of the AIDA model centres on customer acquisition (Aryal, 2005), which starts by getting customers’ attention. The reason is that the market for many products is saturated and there are too many competitors trying to get the same customer’s attention due to the intensity of rivalry (Porter, 2008). The threat of substitutes and the threat of potential entrants all distract the customers, and in this era of hyper-competition, where companies make frequent aggressive competitive moves to outwit the competitions, it might even be difficult to differentiate certain alternatives (Porter, 2008). Thus, the need is high to make a conscious effort to get the attention of the customer. There have been several attempts to reflect the AIDA model in different perspectives (Aryal, 2005).

<Customer defection> could mean the customer’s abandoned allegiance to a company or to the products/services of a company; especially when the customer in question sometimes ago supported the company but later changes (East et al., 1998). No company or store would naturally want its customers to leave; however, several stores have lost their customers (Jones & Sasser, 1995). As customers we all love to have the best at the lowest cost, and to feel good with our choices (Treacy & Wiersema, 1995), especially considering an environment of increased competition among retail stores. Thus some reasons for defecting could include dissatisfaction with product quality, perception of price being too high, proximity/accessibility and efficiency of complaint handling, just to mention few (Jones & Sasser, 1995).

<Customer retention> on the other hand, is the success of making the customer to buy same products/services again and again, and even also buy other products/services (Ang & Buttle, 2006). It is quite important to note that customer retention is not an event but a process (Ang & Buttle, 2006). Companies often spend resources in attempting to keep the customers they have, following the maxim that it is cheaper to retain a customer than to attract a new one.
(Khalifa et al., 2002). The higher the level of retention, the higher the tendency for the customer to become loyal (Gudonaviciene & Rutelione, 2009). It follows therefore that the lower the defection, the higher the retention and loyalty (Naumann, 1995).

**Figure 4. Customer retention/defection correlation**

![Customer retention/defection correlation diagram]

3.3. **Promotion**

Promotion involves activities organizations engage in order to make their products or services more widely known or successful (McCarthy, 1978). Promotion is one of the 4Ps of marketing (Product, Place, Promotion and Price) coined by Jerome McCarthy (1978 cited in Moller, 2006). It was argued that if those factors were properly managed, they would result in “profitable business operation”. Three other popular Ps added by researchers include, People, Process and Physical Evidence (Hub, 2005). This can be represented as follows:

**Figure 5. Model of Marketing Ps**

![Model of Marketing Ps diagram]

**Figure 6. Marketing Promotion** (McCarthy, 1978)

![Marketing Promotion diagram]

The list is not exhaustive; however the focus here is on promotion. Although it is sometimes feared that sales promotions increase price sensitivity and also destroys brand equity both
with retailers and consumers (Chandon et al., 2000), it however still remains a major aspect of marketing. The aspects of promotion can be said to include personal selling, mass selling, and sales promotion. This can be represented as in the figure 9.

The implication of this is that promotion is one of the key activities in marketing that companies do not leave to chances (G. Belch & M. Belch, 1998). Rather they take active steps in aggressively pursuing the customers (W. C. Kim & Mauborgne, 2005). Therefore in this era of hyper-competition, promotion should no more the responsibility of the marketing department, rather everyone in the organisation should be made to consciously promote the business of the enterprise (W. C. Kim & Mauborgne, 2005).

3.4. Mobile Marketing

Mobile marketing is a relatively new marketing, basically, on or with a mobile device (Tähtinen, 2006). Mobile device (smartphone) advantages lie on its technological improvements that made various functions (including television, internet, camera, SMS, etc) possible in only one little device, besides its traditional role of phone call (Jenkins, 2006).

According to Mobile Marketing Association (MMA, 2009), the new definition of mobile marketing is “a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network”. MMA is a global association that contributes leading role in the growth of mobile marketing and advertising as well as their related issues, with representatives from telecommunications companies, advertising agencies and advertisers (MMA, 2009).

Consequently, mobile marketing is important because mobile itself is a direct way to reach customers whenever and wherever they are (Ling, 2004). Mobile marketing has been improved and has generated increasing interest in the academia and the industry (Leppäniemi & Karjaluoto, 2008). Before, unwanted phone calls and text messages were under serious criticism and identity issues (McCasland, 2005). However, mobile marketing today offers secure and trustworthy services and products (Boudriga, 2009) through its loyalty programs, SMS (text message) customer clubs, and more.

Mobile marketing has gained increased popularity in the past years (Barutcu, 2008). High speed internet connections coupled with advanced technology in the telecommunications industry (Sadeh, 2002 cited in Barutcu, 2008) have been a major leverage point for marketers who have thus been able to reach out to a wider range of more specific customers with
customized messages. The past decade has witnessed innovative marketing communication channels delivering relevant and personalized messages to target audiences, which have formed a major part of the direct marketing programs (Roach, 2009).

Mobile marketing in this context should not be misinterpreted as moving goods from one place to the other or moving billboards; rather it is marketing via mobile devices (Leppäniemi & Karjaluoto, 2008). Mobile marketing involves using interactive wireless media to provide customers with time and location sensitive, personalized information’ (Carroll & Barnes, 2005). It could be argued that the spread of mobile phones and especially their sophistication has aided marketing over the years (Ling, 2004). On the other hand, the marketing potentials of product and services businesses could have been the pull for the production of sophisticated mobile phones.

Figure 7. Emergence of Mobile

However, whichever came first, the fact today is that ‘mobile commerce creates new marketplaces among producers, distributors, retailers, and customers anywhere and at any time’ (Barutcu, 2008). There are immense benefits that have been highlighted with the advent of mobile marketing according to Barutcu (2008) including customers’ access to their emails, searches, ordering and buying of products and services from anywhere without computers. Jenkins (2006) highlighted the following as some of the benefits:

- a form of close communication
- highly targeted and timely
- the audience opt in
- easy interaction opportunities for personalized messages

An example could be a message received in a mobile phone from KappAhl, a Swedish clothing retail store, as follows:

“Hej! Som tack för att du är trogen kund hos KappAhl ger vi dig en extra julklapp. Du får 30% rabatt på ett helt köp tom 4/12! (Gäller ord.pris). Välkommen.” This is translated as
“Hello! To thank you for being loyal customer of KappAhl we'll give you an extra Christmas present. You get 30% off an entire purchase through 4 / 12! (Applies ord.pris). Welcome.”

This type of message is timely as it gives an offer at a season when people exchange gifts and also changes their wardrobe. It is received because the receiver opted in to the text message services of the store (X. Chen et al., 2003).

3.5. The trend of mobile marketing

“The advancement in wireless internet and mobile computing brought the booming of intelligent location-based services, which can actively push location-dependent information to mobile users according to their predefined interest.” (X. Chen et al., 2003). Thus, apart from the normal text messages that traditionally go into the inbox of mobile phones, the advent of push notifications and other ‘alert features with screen display’ of mobile phones, marketers are able to get the attention of customers as and when they want it.

With about 7 billion people living in our world (Associated Press, 2011) today and hundreds of millions of them interconnected via social media channels like Facebook, Twitter, LinkedIn, Yahoo, and a host of others, companies are now able to capture chunks of customer segments across the globe (Econsultancy, 2008). This is fuelled by the rapid increase in development of innovative technology and continued drive to lower costs. “One of the strengths of marketing is the way it constantly adapts and responds to changing conditions” (Hub, 2005).

Table 1. Key Global Telecom Indicators for the World Telecommunication Service Sector in 2010

<table>
<thead>
<tr>
<th>Key Global Telecom Indicators for the World Telecommunication Service Sector in 2010 (all figures are estimates)</th>
<th>Global</th>
<th>Developed nations</th>
<th>Developing nations</th>
<th>Africa</th>
<th>Arab States</th>
<th>Asia &amp; Pacific</th>
<th>CIS</th>
<th>Europe</th>
<th>The Americas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile cellular subscriptions (millions)</td>
<td>5,282</td>
<td>1,436</td>
<td>3,846</td>
<td>333</td>
<td>282</td>
<td>2,649</td>
<td>364</td>
<td>741</td>
<td>880</td>
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<tr>
<td>Per 100 people</td>
<td>76.2%</td>
<td>116.1%</td>
<td>67.6%</td>
<td>41.4%</td>
<td>70.4%</td>
<td>67.8%</td>
<td>131.5%</td>
<td>120.0%</td>
<td>94.1%</td>
</tr>
<tr>
<td>Fixed telephone lines (millions)</td>
<td>1,107</td>
<td>506</td>
<td>601</td>
<td>13</td>
<td>33</td>
<td>540</td>
<td>74</td>
<td>249</td>
<td>262</td>
</tr>
<tr>
<td>Per 100 people</td>
<td>17.3%</td>
<td>40.9%</td>
<td>12.1%</td>
<td>4.6%</td>
<td>9.4%</td>
<td>16.9%</td>
<td>26.6%</td>
<td>43.9%</td>
<td>28.1%</td>
</tr>
<tr>
<td>Mobile broadband subscriptions (millions)</td>
<td>940</td>
<td>631</td>
<td>309</td>
<td>29</td>
<td>24</td>
<td>278</td>
<td>26</td>
<td>296</td>
<td>326</td>
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<tr>
<td>Per 100 people</td>
<td>13.6%</td>
<td>51.1%</td>
<td>5.4%</td>
<td>3.6%</td>
<td>9.7%</td>
<td>7.1%</td>
<td>25.9%</td>
<td>46.9%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Fixed broadband subscriptions (millions)</td>
<td>355</td>
<td>304</td>
<td>251</td>
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<td>154</td>
<td>145</td>
</tr>
<tr>
<td>Per 100 people</td>
<td>8.0%</td>
<td>24.6%</td>
<td>4.4%</td>
<td>0.2%</td>
<td>2.3%</td>
<td>5.7%</td>
<td>8.7%</td>
<td>23.9%</td>
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</tbody>
</table>

Source: International Telecommunication Union (October 2010)⁴

The above data shows that the mobile phone coverage globally is about 77% of the world population. Moreover, while the average person in the developed nations has at least one mobile phone, about 7 out of every 10 persons even in developing nations have one mobile phone. The international Telecommunication Union (cited in dotMobi, 2011) pointed out that India and China collected added about 300 million new mobile subscriptions in 2010. Perhaps it might be tasking, if not impossible to find some other item gaining similar level of penetrations and spread into the global market according to P.-T. Chen, Hsieh, et al. (2009) referring to the mobile phone as an ‘indispensable implement’. It could be interesting to note that over 1.3 billion handsets were sold in 2010 (dotMobi, 2011).

3.6. Some critics about mobile phone

Security and Privacy concerns for mobile marketing: The issues of insecurity could undermine the potentials of mobile marketing. The fact that individuals can be reached via their mobile phones by persons unknown to them poses some form of threat. This threat is even worsened by the mobile tracking applications that help to know the exact locations of the customers although according to Barutcu (2008) the use of customers’ identity, position, access time and profiles help retailers offer the customers optimal information and services. Citing Barnes (2003) and Pura (2005), Barutcu (2008) argued that this ‘ability to identify the customer’s location at a certain time is one of the most promising applications of mobile commerce.’ In his work, Roach (2009) noted that consumers who choose not to give organizations permission to send marketing messages to their mobile phones have more tendency to view marketing communication sent as an invasion of their privacy, and ignoring this might lead to consumers perceiving mobile phone marketing as intrusive as telemarketing and email spam, which may even have ripple effect on other products or brands.

Like the ‘dot.com boom’ or the internet boom where there was an accelerated growth of the internet with the advent of the world wide web, which was followed by an unprecedented fraud pervasion, the mobile marketing witnessing a near-boom might be faced with similar threat (Levy, 2003).

Option to ‘opt out’: It is important for mobile messages to always carry the option for the customer to opt-out, as this could be seen to protect the rights of the customer to not being bugged with unwanted messages. This was the argument of Milne & Rohm (2000), who reiterated that policymakers should endeavour to understand consumers’ perception of the companies’ use of personal information. The issue of ‘opt-in opt-out’ option has also been of
major concern for researchers (Milne & Rohm, 2000) since the emergence of powerful information collecting capabilities of mobile marketing channels such as the internet. It might get to a point where the customer wants to opt out and this should be at convenience and perhaps at no cost (Cranor et al., 2000). In fact, the inclusion of this option could attract more customers who peradventure might not even have a need to opt-out due to the good quality of service they receive (Jenkins, 2006).

3.7. Neuromarketing in Mobile Marketing

Palmer & Koenig-Lewis (2009) in their article wrote on the trend of personalized messages tailored to the unique requirements of target audiences because people vary in their psyche, thus marketers might need to deliberately design marketing strategies that would fit different focus groups. Neuromarketing involves understanding the configurations of particular classes of people, their needs, beliefs, styles, interests, and as much information about them as possible in order to design strategies that would meet those needs (Skinner & Stephens, 2003). Customers are satisfied when price and quality tailored to the unique circumstances (Dapkevičius & Melnikas, 2009).

For example there is the Generation Y, considered to be people born in or after 1980. On the other hand, the baby boomers are considered to be people born during the baby boom after the end of the World War II (Harmon, 1999). The variance between them is shown below(Morton, 2002):

Table 2. Focus group

<table>
<thead>
<tr>
<th>Generation Y</th>
<th>Baby Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• It is often believed that the people born after 1980’s have great flair for new technology.</td>
<td>• Baby boomers are less flair for new technology and only a fraction of them are actually driven to explore new technology.</td>
</tr>
<tr>
<td>• Besides they are more risk keen.</td>
<td>• Many baby boomers are more risk averse</td>
</tr>
<tr>
<td>• Moreover, they not only can do more than one thing at a time, they in fact, love to do more things at the same time.</td>
<td>• Baby boomers would rather do one thing at a time.</td>
</tr>
</tbody>
</table>

Understanding these groups can go a long way in taking informed decisions about these categories of people. For example, Generation Y people may be more disposed to Mobile Apps, while Baby boomers may be more disposed to Mobile Web. Thus, in implementing
mobile marketing, companies should not assume that everyone would have same responses to the offers (Carroll & Barnes, 2005). These varying attitudes would also inform their disposition to the mobile marketing offers.

3.8. Mobile Marketing Strategies

Marketing efforts are usually targeted at determining what products and services are of interest to customers, and coming up with ways to get them to buy them (Kotler & Armstrong, 2001). Today, companies attempt to identify the customer, discover the customer’s needs, satisfy them, and keep the customers (Hub, 2005).

It is quite noteworthy that marketing strategies have changed over the years with respect to the changing taste and preferences of customers (Kotler & Armstrong, 2001). Thus, since customer needs will still continue to witness more and more changes, marketing strategies would keep improving (Hub, 2005).

Traditionally, marketing strategies included the:

- production orientation – where firms focused on producing as many units of products as possible
- product orientation – where the focus was on the quality of product
- selling orientation – where there was little concern for what the customer wants, rather the focus was on selling what the company produced
- marketing orientation – this involves companies identifying what customers’ needs and wants were, develop the products and services to satisfy them and use mass media to make the offers known. (Learn Marketing, 2011)

However, “Mass markets have fragmented, and therefore impersonal mass communication especially media advertising, has become less effective whereas targeted one-to-one marketing communications have become more important.” (Webster 1992; Peppers et al. 1999; Shaw et al. 2001 cited in Leppäniemi & Karjaluoto, 2008)

The strategy for mobile marketing needs to be in line with the firm’s overall marketing strategy and even the overall corporate strategy (Mattsson et al., 2006). Some Mobile Marketing strategies including the following:

- SMS, MMS, email offers
- Mobile web page
Mobile applications
Mobile Games etc.

3.8.1. Short Message Service (SMS)

Though relatively new, SMS is a medium of directly reaching customers through text messages (Davis, 2002). On one hand, the messages are sent to existing customers of the company who have opted-in to receive the service (Carroll & Barnes, 2005). Customers could have opted-in via a web form, filling their records in the store, and using a short-code to indicate their willingness to receive messages from the company (Milne & Rohm, 2000).

On the other hand, marketers sometimes send unsolicited text messages (McCasland, 2005). This could be as a result of intense competition, however, in some jurisdiction, it could considered an offence as the MMA (2011) states that ‘content providers must obtain approval from subscribers before sending them commercial SMS or MMS messages and other content’ (MMA, 2011). Thus, companies try to contact firms that have huge customer databases who have agreed for companies to share their information for advertisement, in order to get such numbers (Milne & Rohm, 2000). It is amazing to realize that SMS is voted the king of mobile marketing (dotMobi, 2011), with over 6.9 trillion messages sent in 2010, and the projection for 2011 was 8 trillion. It is projected that the (A2P) Application-to-Person SMS (that is, SMS text messages that are automated, e.g. automated alerts from banks, offers from retailers) will outnumber person-to-person SMS by 2016.

In their research on Consumers perceptions and attitudes towards SMS Mobile Marketing in New Zealand, Carroll & Barnes (2005) highlighted four factors having significant impact on mobile marketing acceptance which include:

- Permission,
- Content,
- Wireless Service Provider (WSP) control and
- The delivery of the message

It is also argued that the acceptance of mobile marketing would in fact depend on the acceptance of mobile phone itself (Barnes and Scornavacca, 2004; Bauer et al., 2005; Dickinger et al., 2004 cited in Roach, 2009). Considering the penetration and widespread use of mobile phone, we can safely generalize that the mobile phone is now an integral part of human life regardless of age, color, race, or religion (Oksman & Rautiainen, 2003).
One of the attractions for the use of SMS is that of low cost input (Kerckhove, 2002). The availability of applications that can be used to send bulk SMS for almost free is a major attraction coupled with the fact that the content can be personalized in some cases (Enck et al., 2005). Even individuals are able to send bulk messages to their folks through as some service providers offer free SMS service to own network and other networks (Enck et al., 2005). Though it might be argued how mobile marketing directly impact a firm’s revenue, statistics show the following:

Table 3. Mobile advertising revenue by region, worldwide, 2010-2015

<table>
<thead>
<tr>
<th>Region</th>
<th>2010</th>
<th>2011</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>304.3</td>
<td>701.7</td>
<td>5,791.4</td>
</tr>
<tr>
<td>Western Europe</td>
<td>257.1</td>
<td>569.3</td>
<td>5,131.9</td>
</tr>
<tr>
<td>Asia/Pacific and Japan</td>
<td>868.8</td>
<td>1,628.5</td>
<td>6,925.0</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>196.9</td>
<td>410.4</td>
<td>2,761.7</td>
</tr>
<tr>
<td>Total</td>
<td>1,627.1</td>
<td>3,309.9</td>
<td>20,610.0</td>
</tr>
</tbody>
</table>

Source: Gartner (June 2011) via: mobiThinking

3.8.2. Mobile Web

The mobile web affords the Smartphone or tablet computer users the opportunity to connect through a wireless network to the internet using internet-connected applications (Rabin & McCathieNevile, 2008). This among others ended the restrictions of customers to having to wait till they get back to office or their home before they can weigh their options (Jaokar & Fish, 2006) thus, right on the go, options can be weighed and decisions taken which can constitute a threat to competitors.

Apart from becoming informed, customers also want to take actions at the instance of the need as they want seamless access to the entire range of products (Srinivasan et al., 2002), and since it is practically impossible to have stores located on every street, providing customers with online access to almost everything they would find in the physical store would go a long way in creating value for the customer thus leading to loyalty (Srinivasan et al., 2002). Statistics show that about 500 million people accessed mobile internet across the world in 2009, and by 2014 the number is projected to be about one billion (dotMobi, 2011). The addiction to mobile web is on the increase as even in US for example, a quarter of those that use mobile web don’t use the regular desktop to access the web (dotMobi, 2011). Thus for
such people, it would perhaps make business sense to make the services and products accessible through the mobile web.

Currently ICA has the ‘ICA on mobile phones’ for customers who can be accessed via www.ica.se/mobilen or www.mobil.ica.se. With the mobile web customers no longer need their personal computers to find good recipe or see their personalised offers. Moreover with the mobile phone, customers can view ICA’s offers for example the ‘Cheap week’, or order an ICA grocery bag – which provides five dinners in a bag. There are great deals for students.

A translated version of the page has the following:

**Figure 4. ICA internet homepage**

3.8.3. Mobile Applications

The app is an essential tool for brand awareness in the sense that offering services on the same platform that is taking over the marketplace increases the competitiveness of any brand and the fact that what would have cost the customer moving from one end of the town to the other can be solved in splits seconds by a few taps on the mobile phone, could create unquantifiable value for the customer (Bellman et.al, 2011). The likes of Apple have not only changed the conduct of business, but they have also revolutionized the globe (WebMD Inc, 2011). Tons of mobile applications are released and updated daily (Apple Inc., 2011), and it would only be smart for any company to plug into this trend.

Currently there are hundreds of thousands of apps both for Apple phones for example (Apple Inc., 2011). These mobile applications are application software developed for small low-power handled devices (in this context the mobile phones) which are sometimes preinstalled.

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5 [www.ica.se/mobilen](http://www.ica.se/mobilen)

6 [www.ica.se/mobilen](http://www.ica.se/mobilen)
by the manufacturer of the mobile phone and other times downloaded by the user (Holzer & Ondrus, 2009). Some of these apps are developed in open source communities, while others are developed in-house by the owners (Canessa et al., 2010). Apps are the order of the day for most Smartphone users as they provide quick, direct, and easy access to the platform of the chosen service provider (Christ, 2011). For example, at the convenience of lying in bed, transactions can be carried out in splits seconds. The beauty of apps is the one-tap access to many functions (Apple Inc, 2011). Mobile applications are therefore gaining increasing popularity these days (Lam et al., 2003).

Some examples of Apps (Apple Inc., 2011):

- Books apps
- Navigation apps
- Lifestyle apps
- Social Networking
- Game apps
- Food recipe / Cooking apps etc.

3.9. Mobile Customer Relationship Management

Apart from the above, 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. This is what the mobile customer relationship management (CRM) has to offer. According to Gudonaviciene & Rutelione (2009), customer relationship management 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.

Camponovo et al. (2005) argued that although the mobile medium enhances traditional CRM and CRM thrives as an enterprise application generating most attention, CRM potentials are
grossly untapped. This can be seen for example in Jeff Bezos’s (Founder and CEO of Amazon.com) testimony that in the 12 months before July 2010 their customers had ordered products more than US$1 billion using mobile devise. (dotMobi, 2011).

It is therefore of interest to consider the relationship between mobile marketing and customer loyalty, as following.

![Diagram showing the relationship between Marketing, Mobile Marketing, and Customer Loyalty]

### 3.10. The potential benefits of mobile marketing

Since the customer stands at the centre of any sustainable strategy for company seeking customer loyalty (Hub, 2005), we want to highlight specifically the mutual benefit mobile marketing brings to the customers and ultimately to the company (Mattsson et al., 2006). We want to consider the following as potential benefits those mobile marketing offers:

- Increase customer satisfaction
- Increase communication with customers
- Also, increase customer value and
- Increase brand awareness etc.

**Customer satisfaction:** According to Gilmore & McMullan (2009) customer satisfaction comes when the outcome of a transaction or interaction matches the expectation of the customer. In their work on scales in service marketing, Gilmore & McMullan (2009) reiterated that customer satisfaction results when company’s promises/ customers’ expectations are met in services delivery.
It could also be argued that provided that the grocery store is able to keep its promises, the higher it successfully raises customers’ expectations, the higher satisfied the customers would be eventually (Cardozo, 1965). Although it can be argued that organizations should be moderate in their promises to customers and rather attempt to ‘promise little, perform more’, (Sorescu et al., 2007) however, considering the intensity of competition in the market especially in the grocery market for example, customers need lots of promises in order to maintain their patronage. Moreover, heightened promises places the organisation on a pedestal of high performance which would bring much satisfaction to the customer (Parasuraman et al., 1991).

With the aid of locations apps, the store might provide customers with the facility to check (Apple Inc., 2011) store crowdedness and estimated waiting time on queue per store and offer alternatives to customers prior to getting into their store premises. Besides, customers can be enabled to check store stocks prior to visiting to know what is available and what is not (Insights et al., 2010). This could increase the satisfaction level of customers and as well help the organisation to make more informed decisions.

**Communication with customers:** Can mobile marketing help foster relationships with customers? The answer can be viewed from how the mobile phone as aided the world socially. Considering the various channels for relating with customers, mobile channels seems a very effective instrument to reach client anywhere and anytime (Arnbjerg, 2004 cited in Valsecchi, Renga & Rangone, 2007). Friends and business partners like to stay in touch with
one another (Palmer & Koenig-Lewis, 2009). There are hundreds of apps and social media platforms today through which friends and businesses (with customers) can stay connected at almost no extra cost (Palmer & Koenig-Lewis, 2009), which in the words of Palmer & Koenig-Lewis (2009) results in strategic and operational benefits to the company and huge benefits to the customers also (Gudonaviciene & Rutelione, 2009). Thus the benefits of relationship cannot be overemphasized.

Researchers and practitioners widely recognize the importance of managing relationships with customers (Rogers, 2005 cited in Leppäniemi & Karjaluoto, 2008). With mobile customer relationship management, an information system could be set up that would collect customer data from all points of contact with customers, process and store the information that would be useful for informed decisions which has been implemented in many industry sectors (Xu & Walton, 2005).

A lot can be achieved if the information about the customers of the grocery store is managed efficiently (Jasimuddin, 2008). Besides providing firsthand updated holistic view of customer information (McHugh, 2008) to frontline staff, which help them to deal with each customer or each category of customer uniquely, the mobile customer relationship management helps to also ensure that the customers know about the information the store has about them. The customers are happy to contact the organization and are assured that they are no strangers (Hennig-Thurau et al., 2010). In a nutshell, effective information management provides timely and appropriate information for both customers and the organization (Entsua-Mensah, 1996).

This exchange of information builds mutual trust and tends to make the customers feel more secured and attached to a particular store (Hennig-Thurau et al., 2010).

Moreover, the customer relationship management, enabling sharing of information among the store, its customer and suppliers, affords the suppliers the opportunity to know the preferences of customers beforehand and make informed decisions about their supply (Leppäniemi & Karjaluoto, 2008).

**Customer value**: Customer value is the perceived gain on the side of the customer from a transaction or interaction or the difference between what the customer gets and what the customer gives for a certain product or service (Hallowell, 1996). In their work on creating customer value in online grocery shopping Anckar et al. (2002) presented four different ways in which customer value can be created which include:
• competitive prices
• a broad and/or specialized assortment of options
• superior shopping convenience; and
• superior customer service.

They however noted the indisputable consumer benefit of e-commerce which brings convenience into shopping as customers can shop from anywhere and anytime (Anckar et al., 2002). Thus mobile marketing comes in to help realise these goals more efficiently (Leppäniemi & Karjaluoto, 2008). For example, customers can receive alerts on competitive prices being offered (Simester, 1995) based on their preferences, and when there are new products within the customers’ preferences, the customers can also receive personalised messages (Roach, 2009). Moreover, the MMS, mobile web and mobile apps make it possible for the customer to see the products and a ‘10seconds-advert’ might be enchanting to the customers. Thus overall, the customer value is increased (Anckar et al., 2002). The beauty of this is that they all come at no extra cost to the customer and even for the company there are diverse cost effective ways of achieving them (Hennig-Thurau et al., 2010).

**Superior customer service:** Service quality has gained attention of both organizations and researchers over the past decades (Seth et al., 2005). The customer is a lot more aware today, and competitors are ‘restless’ (Chandon et al., 2000). Thus, every channel possible must be engaged in other to not just satisfy the customer in service delivery, but to even exceed the customer’s expectation! (Gilmore & McMullan, 2009)

One of the ways is to follow the trend of the customers. As already stated many customers are strongly attached to their mobile phone, thus appropriate and efficient communication with them via this channel would earn their interest (Chen, Hsieh, P.T. et al., 2009). For example, since the grocery store has the card details and contact of its customers, automated thank you message can be designed that would be delivered to the customer after each purchase (coupled with an option to opt-out of the service); and when the customer has been away for certain number of days or period, the ‘miss you’ message can be sent. The free home delivery service is also made easier with the mobile devices (Maglaveras et al., 2002) thus opportunities presented by the mobile phone in aiding superior customer service can therefore not be exhausted.
3.11. The future of mobile marketing

The best is yet to be seen of mobile marketing. With the advent of Global Positioning System (GPS) and location aware apps like the GOOGLE LATITUDE, it is now possible for marketers to know the location of their customers at particular points in time (Google, 2009). Marketers can now track willing customers and send messages that are relevant to their location (X. Chen et al., 2003).

Imagine a push notification on the mobile phone that reads thus “Welcome to Gavle! We can imagine it’s been a long journey from Gothenburg! Please stop over to use your bonus card in our restaurant within the next five minutes drive...& guess what, we have your favorite meal!” The receiver of such a message as this should definitely be wowed at such a timely, personalized and fascinating message such as this. Especially if the system has been so programmed to identify the frequent meal the customer buys and is able to state this in the message.

Moreover, there is no doubt that independent information and price comparison services (Brynjolfsson & Smith, 2000) like Swedish Prisjakt and Pricerunner will be coming after one another over the next decade. The purpose of these services is not only to find the lowest price, but also to choose the right product and service from the right store (Kocas, 2002; Marmorstein et al., 1992). For instance, Prisjakt compares and gives information of 420,000 stores, 6.58 million prices on 1,231,000 products from 3,243 stores (Prisjakt, 2011).

3.12. Research Hypotheses

In conclusion, these theoretical researches on customer loyalty direct us to the following three suggestions. We can see that the customer loyalty is interrelated and also affected from factors including customer satisfaction and communication with the company.
1. There is a relationship between mobile marketing and customer satisfaction.

**Customer satisfaction** – One of the factors that influences customer loyalty is customer satisfaction (Hallowell, 1996). 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 (Sivadas & Baker-Prewitt, 2000). 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 & McMullan, 2009). If a customer is satisfied and even delighted with the services and products that he/she received, there is a bigger chance that the customer will come back and tend to come again and choose the company over others (Hallowell, 1996).

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). The answer might approached by considering what is obtainable in the marketplace, although it might be challenging to measure satisfaction in absolute terms (Gilmore & 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). 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).

While loyalist stick to the store and even spread the news of the satisfaction and contentment with their store regardless of competitors’ offers, customers who are not loyalty drift to competitors when they are unsatisfied or realise the existence of alternatives (Jones & Sasser, 1995). It shows that a highly satisfied customer might still switch to alternatives, thus companies should seek the loyalty of their customers while attempting to satisfy them with their products and services.

2. There is a relationship between ‘mobile marketing’ and ‘interaction or communication between customers and the store’.

**Mobile marketing**

**Customer satisfaction**
Interaction/communication - Every relationship between customers and firms starts from some point, and McCasland (2005) argued that effective marketing starts with understanding the audience. Being loyal to one company essentially depends on how strong the bond is and how good relationship they have as Kandampully (1998) argued that ‘service employees develop the emotional connection with customers which leads to exceptional service and the ability to exceed customer expectations’ which leads to a long term relationship. If a company lacks a relationship with its customers and consumers, it could result on losing them out to its competitors (Hallowell, 1996). In other words, a good relationship and interaction strengthens the bond and connection between buyers and suppliers, firms, and customers. This later leads to loyal customers (Hallowell, 1996).

With the boom of social media platforms today, customers are becoming active players and they are able to influence and are influence by the company through continuous interactions anywhere and anytime (Hennig-Thurau et. al., 2010). Thus the effectiveness of the engagement of the mobile media can influence this relationship (Steffes & Burgee, 2009).

Customers want to buy the products or services of a store, but many times they also want more than to purchase products or services (Kandampully, 1998). They want a store they can be attached to; that gives them what they want and that can even become a household name.

Customers need to know where to buy, what to buy and they also need information about the quality and usefulness of what they buy (Parasuraman et al., 1985). For example ICA’s mobile web offers recipes for some dishes which can become handy. The store also wants to offer discounts and special packages to customers (ICA AB, 2011).

As mentioned earlier, the closest device to the human being is the mobile phone (P.-T. Chen, Hsieh, et al., 2009), thus interaction/communication between customers and the stores is both important and can ride upon the wheels of mobile technology which is what mobile marketing offers. Mobile marketing thus has an impact in the relationship between customers and the store.

3. Mobile marketing is an effective way to provide information for customers.

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7[https://www.ica.se/Mina-sidor/icas-app-for-iphone/](https://www.ica.se/Mina-sidor/icas-app-for-iphone/)
**Mobile as an effective marketing channel**: Third, we would consider whether mobile marketing is in fact an effective way to provide information for customers (Barutcu, 2008). Information is paramount for the customer and having the right information, at the right time and in the right format could have great positive impact on the customer (Chen, Shang, Y.C. 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 timely information always (Chen, Shang, Y.C. et al., 2009).

Marketing through the mobile phone could be effective as Carroll & Barnes (2005) argued that wireless marketing helps to effectively get targeted and tailored messages to customers which fosters customer-business relationship. 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 (Mobile Marketing Watch, 2012)\(^8\), as the mobile marketing research is believed to still be in its experimental stage (Haghirian & Dickinger, 2004) researchers have attempted to measure the effectiveness of mobile marketing (Scharl et al., 2005).

In a research of world leading Fortune Global 500 companies, the effectiveness of mobile marketing comes from the possibility of exploiting the content, personalisation and consumer control features (Scharl et al., 2005). The permission of users allowing companies is send them messages in quite an important variable affecting advertisement (Hosseini & Ph, 2011). Thus the fact that 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 & Ph, 2011).

In their research Smutkupt et. al. (2010) argued that mobile marketing impacts the product, price, promotion, and place – the four marketing mix; and also consumer, cost, communication and convenience. Smutkupt et al. (2010) further stated that mobile marketing ‘major advantage lies in its unique ability to provide information in a personalized and interactive way, without restriction of time and place’. Thus companies could well benefit if these futures are exploited.

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Reaching customers directly through their mobile phone eliminates the risk of misinformation (Jensen, 2007; Attewell, 2005). What information the grocery store customers want can be about information about store closure and opening times, information about discounts, information about new products, information about the store location, and stock items information and item location in the store etc (Tode, 2011). It might become bugging to send all these to the customer through one channel – mobile for example the SMS, mobile application and mobile web (Tode, 2011).

4. EMPIRICAL STUDY

In this chapter, information on the company (ICA) and its mobile marketing activities will be presented first. Later, we will illustrate the result and analysis of the questionnaire and the interviews.

4.1. Background of the case company

In this part of the empirical study, we will first present the case company and then its contribution to mobile marketing.

4.1.1. Presentation of ICA

ICA is a leading Swedish grocery store with the aim to be the leading retail company with focus on food and meals (ICA, 2011). The vision of the company is to ‘make every day a little easier’, by this the Swedish grocery giant - ICA believes that the value begins and ends with the customer. ICA has about 2,150 stores and about 20,400 employees working within the ICA Group, even though some other 30,000 people work within ICA overall (ICA, 2011). The financials of ICA show a net sales figure for the full year in 2010 amounting to about SEK 94 billion and an operating income of SEK 3 billion (ICA, 2011).

The strategy of the company includes adapting to external conditions in its choices. It continuously develops its operations based on external demands and opportunities to be the leading retail company with focus on food and meals. ICA realizes that Swedish customers have two important clamours/cravings which include good products and services that save
time and shopping climate (ICA, 2011). Thus, the company considers Fair trade, organic and healthy alternatives as important aspects (ICA, 2011).

ICA Sweden operates throughout country with independent ICA stores and the merchants own the stores themselves, but have an agreement with ICA Sweden. However, ICA Sweden supports all ICA stores on marketing, logistics, and integrated marketing communications (ICA, 2010).

The company is aggressive in reaching customers this was proven by its success in 2009 of increasing its market share by 4.2% and sales by 4.1% despite hard competition (ICA, 2009) and 2010 of opening 28 new stores in five countries, besides converting 108 Rimi Stores in Norway (ICA, 2011). One of the priorities for 2009 was raise quality for stores and customers, besides strong customer offering and several price cutting campaigns (ICA, 2009).

This was the first time that ICA reached a half of Swedish groceries market (Knut, 2009). Madelene Gummesson, the director of financial communication at ICA, explains that ‘We see this as a proof that our customers are satisfied and that we do good things’ (Knut, 2009). ICA’s largest customer survey is measuring customer satisfaction index (CSI) once a year among Swedish and Norwegian customers (ICA, 2009). Furthermore, ICA Maxi and ICA Supermarket’s customer satisfaction found peak in 2009 (ICA, 2009).

**4.1.2. ICA’s contribution to mobile marketing**

ICA contributes to its communication with customers and community affairs, as ICA maintains active dialogue with customers on the daily basis and tries to meet their needs and demands. This has increased ICA’s customers satisfaction and made ICA one of the popular chains in Sweden, according to ICA’s largest survey – Customer satisfaction index (ICA, 2007).

ICA’s one of the communication channels is mobile. In chorus, ICA’s mobile marketing has been growing rapidly. Today ICA not only offer mobile website for its customers, but also the mobile application and very functional mobile services for its customers. Furthermore, ICA
says that it will even expand mobile services gradually and add new services that customers demand as fast as it can.  

**SMS**: ICA does not send offers via SMS like its competitors such as Coop, Snabbgross, and Hemköp. However, with communication and marketing purposes, ICA sends advertisement via SMS, email or post to increase communication with customers.  

Furthermore, ICA provides its customers with information through SMS. For example, ICA informs its customers by sending SMS if customer’s reservation or payment through ICA account or Visa or MasterCard is not succeeded. Then, the customer can contact ICA by phone number provided in the SMS. Also, ICA makes SMS agreements for pickup or delivery of ICA grocery’s prices with customer, so the customer can get the information and the phone number of the store direct into his or her mobile.

Also, ICA’s customers with membership are able to text (SMS) their shopping list for free for themselves or others. This enables positive word of mouth and increases communication and customer satisfaction.

**Mobile homepage**: ICA provides mobile homepage for both standard and smartphones (iPhone). First, ICA’s mobile site can be found mobil.ica.se, which is mostly used by standard mobile users. ICA suggests its customers that they no longer need computers to find a good recipe or to see personal offers, because this mobile site will fix everything for the customers; ‘Go to mobil.ica.se and dinner is fixed!’.

Second, ICA made its website possible for iPhone users first in 2008 (ICA, 2008). By using Wireless Application Protocol (WAP), ICA adapted its company website to mobile - ice.se, which was then one of the first websites with specific interface for iPhone in Sweden (Tornblad and Carlsson, 2009).

ICA Bank for instance found in 2011 its first version of mobile internet bank for both iPhone and Android phones - mobil.icabanken.se (ICA, 2011), which became second best among Sweden Banks. ICA’s mobile internet bank gives same possibilities as its regular bank.

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10 [https://www.ica.se/ica-matkassen-villkor](https://www.ica.se/ica-matkassen-villkor)
11 [https://www.ica.se/ica-matkassen-villkor](https://www.ica.se/ica-matkassen-villkor)
13 [https://www.ica.se/recept-mat/matskola/](https://www.ica.se/recept-mat/matskola/)
14 [https://www.ica.se/mobilen](https://www.ica.se/mobilen)
ICA’s customers can pay bills, make transfers and do more banking via mobile. Giving possibility to sign up and open new account, ICA increased new customers through mobile (ICA, 2011). On the other hand, if customer has older mobile, they have a link for simple mobile service, where customers can transfer between own accounts and see balance. In the further, we will interview the Marketing Director on this issue.

**Mobile application:** ICA found its first mobile application with recipes, music and Christmas tips in late 2009 (Henrik, 2009). The first iPhone mobile application was a test, which was to see how customers react and which was also a clear commercial purpose to reach its customers and to increase ICA’s brand and sales during Christmas that year (Tornblad and Carlsson, 2009).

Since the test was successful, ICA developed its mobile application in 2010 and mobile internet bank in 2011 (ICA, 2011). Furthermore, ICA upgraded its mobile application with more services that its customers demand in the end of 2011. ICA’s mobile application became much faster than before, since the most data including recipes is streamed to the phone. So, the advantage of having its mobile application lies on the fact that customer can access information even without internet.

ICA’s mobile application is adapted to all customers regardless of their membership. The mobile application helps all ICA’s customers to plan a dinner for the day, download the recipe, write shopping list and email them, play game, get inspirations, see store offers, check balance, find all ICA stores and even use ATG – postal service and ATM. If customer has ICA card, then it provides more services to see personal offers, check balance and points, save

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17 [https://www.ica.se/Mina-sidor/icas-app-for-iphone/](https://www.ica.se/Mina-sidor/icas-app-for-iphone/)
18 [https://www.ica.se/Mina-sidor/icas-app-for-iphone/](https://www.ica.se/Mina-sidor/icas-app-for-iphone/)
19 [https://www.ica.se/Mina-sidor/icas-app-for-iphone/](https://www.ica.se/Mina-sidor/icas-app-for-iphone/)
20 [https://www.ica.se/Mina-sidor/icas-app-for-iphone/](https://www.ica.se/Mina-sidor/icas-app-for-iphone/)
recipes and even share shopping lists within household.\(^2\) If customer does not have ICA card, it gives opportunity to sign up as a new member; this helps ICA to reach more customers and increase its market share.

\[\text{Source: https://www.androidzoom.com/android_applications/ica}\]

In addition to ICA’s central mobile application for overall stores, merchandisers have started to acquire their own mobile applications for the stores separately from 2010 (Gunnar, 2010), since the successful test in 2009. ICA’s different stores from Maxi to Nära tend to have their own version of ICA mobile application for both iPhones and Android phones. For example, in 2010, ICA Maxi Uppsala created its real mobile iPhone application, where its customers can put products in the basket and even locate the products inside the store (Gunnar, 2010).

According to the income statements of ICA, we can see that selling expenses had increased significantly in 2009 compared to the previous years. A part of the notable increase in selling expenses was for mobile marketing (Tornblad and Carlsson, 2009; ICA, 2009; ICA, 2010; and ICA, 2011). Since then, it seems that ICA has enlarged its mobile marketing actively.

Furthermore, one of ICA’s key issues in 2010 and 2011 was price and also strengthening relationship with customers (ICA, 2011). Thus, ICA developed and introduced customer loyalty programs including mobile application and mobile internet bank (ICA, 2009; ICA, 2010; ICA, 2011). The purpose of mobile internet bank was to increase new customers and to strengthen customer loyalty.

Overall, it seems that ICA believes that mobile marketing helps it to reach its customers and increase their satisfaction and loyalty and thus increase the sales. However, it will be examined thoroughly in the next research approaches including a questionnaire and interviews.

\[\textbf{4.2. \textit{Questionnaire results}}\]

In this part of the paper, we will introduce result of the survey. As stated earlier, a survey of 82 customers of ICA was conducted from Stockholm, Solna, Gävle, Sandviken and

\[\text{21 https://www.ica.se/Mina-sidor/icas-app-for-iphone/}\]
Karlskrona cities in Sweden. The results below represent the outputs of the survey as well as analysis and discussion.

4.2.1. Survey outputs

The results below represent the outputs of the survey.

65% of total respondents were female and 35% were male. Different ages of the customers were presented in the survey and highest portion was 59% which is young people under 28 ages.

Customers were asked to choose one of 5 statements relevant to the mobile type in their everyday live. 55% of total customers use Smartphone and 45% standard mobile type in their everyday lives. The customers mostly use Android type (58%) and Iphone (33%). Moreover, there is an interesting correlation between age and what type of mobile they use. More customers get older, less smartphone they use.

The survey moreover shows that the most of the customers with standard mobile use their mobile for calling (100%) and SMS (95%) and one third of the customers use MMS and music. On the other hand, customers with smartphones use various functions in their mobile relatively more than the customers with standard mobile do.
Moreover, 16% of the total customers with standard mobile use internet, while 73% of the customers with smartphone use internet. They use their smartphone mostly for calling (98%), SMS (100%) and email (98%). More than half of the customers use mobile applications (62%), social media (58%) and internet (73%).

Regarding advertisements through SMS, customers think that they are mostly informative, save money, pushy and annoying. But, one third of the respondents say that there are not many advertisements come via SMS.

Most of the customers (72%) receive SMS advertisement to their mobile phone, and the SMS advertisements are sent from different stores such as gym, sport stores, library, telephone companies, internet stores, and mostly from clothing stores. Moreover, the respondents who receive SMS advertisements are more likely females.
61% of total respondents use SMS offers. However, respondents who don’t receive any SMS offers are likely to not use them, which is natural. On the other hand, 3% of the customers who use the offers use them every time, 12% often, 36% sometimes and 49% seldom. So, if they receive SMS offers, they more likely to use them.

Regarding the frequency of shopping at ICA, 90% of the customers shop at ICA at least 2-3 times per month, which is relatively high. These show that most of the respondents are loyal to ICA at some point.

On the other hand, 41% of the customers said that they would choose other stores, if they have cheaper price and better offer offers. 39% of the respondents are quite loyal to ICA: they either shop only at ICA or shop mostly at ICA.

91% of the customers have not used ICA’s mobile applications, mostly food recipe, shopping list and personal account applications. However they (79%) want to use ICA’s mobile applications such as food recipe, location app, shopping app, social media app, search app and even blogging app. Customers, who have use ICA’s mobile application, use mostly food recipe (85%), shopping list (57%) and personal account (29%).
71% of the customers want information and offers on ICA products. The types of product they are more interested are food, drink, ICA’s egna varor (own products) and kitchen utensils. 79% of the customers want information and offers from ICA. They want mostly offers and discounts (49%) and food recipe, job vacancy, inspiration and tips and advertisements.

Regarding the way of getting information and offers from ICA, most of the customers want to receive them through SMS, email and mobile applications, addition to by post and at the store. Customers who want information through SMS think that it is fast (41%), direct (30%), close (19%) and easy (10%).
Regarding the affect of getting product information on image of ICA, there is a correlation between the variables. As it is shown in the following graph, more products information and offers the customers get, better image they have about ICA. If customers receive information and offers, customers (52%) will know more about ICA, prefer ICA more than other stores and shop more at ICA.

In addition, 55% of the customers said that they will use their mobile more in the future, while 41% said that they will use their mobile same amount as today. Therefore, ICA would benefit from this, if it focuses on mobile marketing more in the future.

Finally, most of the customers (75%) think that ICA should broaden its focus on mobile marketing to attract more customers in the future. On the other hand, some customers (especially older customers) think having mobile marketing affect neither positive nor negative as a future competition strategy (14%), while other customers (11%) think that ICA is not a branch which should focus on mobile marketing.
4.2.2. Survey analysis/discussion

We have done analysis of the survey based on those three categories of hypotheses as following. Each hypothesis encloses sub hypotheses to support the main hypothesis in order for higher reliability.

H1. There is a relationship between mobile marketing and customer satisfaction:

**Hypothesis 1-1:** There is a relationship between customer satisfaction and information that customer wants.

- **H₀:** There is not any relationship between customer satisfaction and information that customer wants.
- **H₁:** There is a relationship between customer satisfaction and information that customer wants.

<table>
<thead>
<tr>
<th>Table 1: Correlations between customer satisfaction and information that customers seek</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td>Information that customers want</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed).**

According to the Table 1, it is shown that the level of correlation coefficient between these two variables is 30.3%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H₀ is rejected and hypothesis H₁ is accepted with 99% significant level.

H₁-1 confirms that customers who want information and offers from ICA are more likely to be satisfied if ICA provides the information and offers that customers want through mobile. Therefore, ICA should use mobile to provide those information and offers to increase satisfied customers.
**Hypothesis 1-2**: There is a relationship between customer satisfaction and communication between customers and ICA.

- **H₀**: There is not any relationship between customer satisfaction and communication between customers and ICA.
- **H₁**: There is a relationship between customer satisfaction and communication between customers and ICA.

**Table 2: Correlations between customer satisfaction and communication between customers and ICA**

<table>
<thead>
<tr>
<th></th>
<th>Customer satisfaction</th>
<th>Communication between customers and ICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>82</td>
</tr>
</tbody>
</table>

| Communication between customers and ICA | Pearson Correlation   | .506** |
|                                        | Sig. (2-tailed)       | .000   |
|                                        | N                     | 82     | 82     |

****: Correlation is significant at the 0.01 level (2-tailed).

According to the Table 2, it is shown that the level of correlation coefficient between these two variables is 50.6%. This means that there is a strong level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H₀ is rejected and hypothesis H₁ is accepted with 99% significant level.

H₁-2 confirms that more the customers are communicated with ICA, more they are satisfied. Therefore, ICA can increase communication between them and customers through mobile offering discounts and providing information that customers want.

**H₂. There is a relationship between mobile marketing and communication between customers and ICA:**

**Hypothesis 2-1**: There is a relationship between communication between customers and ICA and information that customer wants.

- **H₀**: There is not any relationship between communication between customers and ICA and information that customer wants.
**H1**: There is a relationship between communication between customers and ICA and information that customer wants.

### Table 3: Correlations between communication and information that customers want

<table>
<thead>
<tr>
<th></th>
<th>Communication between customers and ICA</th>
<th>Information and offers that customers want</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication between customers and ICA</td>
<td>Pearson Correlation: 1</td>
<td>0.441**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed):</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N:</td>
<td>82</td>
</tr>
<tr>
<td>Information and offers that customers want</td>
<td>Pearson Correlation: 0.441**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed):</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N:</td>
<td>82</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

According to the Table 3, it is shown that the level of correlation coefficient between these two variables is 44.1%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H0 is rejected and hypothesis H1 is accepted with 99% significant level.

H 2-1 confirms that if customers get information and offers from ICA through mobile, it can essentially increase communication between them and ICA. In this case, mobile becomes also a very effective way to increase communication and a channel for direct marketing.

**Hypothesis 2-2**: There is a relationship between communication between customers and ICA and image of ICA.

- **H0**: There is not any relationship between communication between customers and ICA and image of ICA.
- **H1**: There is a relationship between communication between customers and ICA and image of ICA.

### Table 4: Correlations between communication and image of ICA

<table>
<thead>
<tr>
<th></th>
<th>Communication between customers and ICA</th>
<th>Image of ICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication between customers and ICA</td>
<td>Pearson Correlation: 1</td>
<td>0.314**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed):</td>
<td>0.004</td>
</tr>
</tbody>
</table>
According to the Table 4, it is shown that the level of correlation coefficient between these two variables is 31.4%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H0 is rejected and hypothesis H1 is accepted with 99% significant level.

H2-2 confirms that more communication that ICA has with its customers, greater image of ICA that customers will have. Increased communication through mobile helps customers to get better image of ICA. Customers find more about ICA and prefer ICA more than other stores and shop more at ICA and even think about ICA more often. So, ICA should increase its communication with customers by building mobile applications and sending SMS etc.

3. **Mobile marketing is an effective way to provide information that customers want:**

**Hypothesis 3-1:** There is a relationship between investment in mobile marketing and use of SMS offers.

- **H0:** There is not any relationship between investment in mobile marketing and use of SMS offers.
- **H1:** There is a relationship between investment in mobile marketing and use of SMS offers.

<table>
<thead>
<tr>
<th></th>
<th>Investment in mobile marketing</th>
<th>Use of SMS offers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in mobile marketing</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>82</td>
</tr>
<tr>
<td>Use of SMS offers</td>
<td>Pearson Correlation</td>
<td>.345**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>82</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
According to the Table 5, it is shown that the level of correlation coefficient between these two variables is 34.5%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H0 is rejected and hypothesis H1 is accepted with 99% significant level.

H3-1 confirms that customers who use SMS offers more often think that ICA should have mobile marketing to attract more customers. Customers want that ICA use mobile marketing and customers in fact take offers positively through mobile. ICA should thus send information and especially offers and discounts to its customers through SMS, email and mobile application. It will result more satisfied customers and increase in sales as ICA’s customers use offers quite often.

**Hypothesis 3-2**: There is a relationship between investment in mobile marketing and information that customer wants.

- **H$_0$**: There is not any relationship between investment in mobile marketing and information that customer wants.
- **H$_1$**: There is a relationship between investment in mobile marketing and information that customer wants.

<table>
<thead>
<tr>
<th>Table 6: Correlations between investment in mobile marketing and Information and offers that customers want</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in mobile marketing</td>
</tr>
<tr>
<td>-------------------------------</td>
</tr>
<tr>
<td>Investment in mobile marketing</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td>Information and offers that customers want</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>

**, Correlation is significant at the 0.01 level (2-tailed).”

According to the Table 6, it is shown that the level of correlation coefficient between these two variables is 43.9%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H0 is rejected and hypothesis H1 is accepted with 99% significant level.
H3-2 confirms that customers who want different types of information from ICA think that ICA should have mobile marketing to attract more customers. Customers want information and offers from ICA and they do want that ICA should provide that through mobile.

**Hypothesis 3-3**: There is a relationship between investment in mobile marketing and customer satisfaction.

| Table 7: Correlations between investment in mobile marketing and customer satisfaction |
|---------------------------------------------------------------|------------------|
| Investment in mobile marketing | Customer satisfaction |
| Pearson Correlation | 1 | .460** |
| Sig. (2-tailed) | | .000 |
| N | 82 | 82 |
| Customer satisfaction | Pearson Correlation | .460** |
| Sig. (2-tailed) | 1 | .000 |
| N | 82 | 82 |

**. Correlation is significant at the 0.01 level (2-tailed).

- **H₀**: There is not any relationship between investment in mobile marketing and customer satisfaction.
- **H₁**: There is a relationship between investment in mobile marketing and customer satisfaction.

According to the Table 7, it is shown that the level of correlation coefficient between these two variables is 46.0%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H₀ is rejected and hypothesis H₁ is accepted with 99% significant level.

H3-3 confirms that customers can be more satisfied if they get information they want through mobile and they think that ICA should have mobile marketing to attract customers more. Consequently, it is essential for ICA to invest in their mobile marketing in order to attract more customers in the future as well as to increase satisfied customers.

**Hypothesis 3-4**: There is a relationship between investment in mobile marketing and communication between customers and ICA.

- **H₀**: There is not any relationship between investment in mobile marketing and communication between customers and ICA.
- **H1:** There is a relationship between investment in mobile marketing and communication between customers and ICA.

<table>
<thead>
<tr>
<th></th>
<th>Investment in mobile marketing</th>
<th>Communication between customers and ICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in mobile marketing Pearson Correlation</td>
<td>1</td>
<td>0.487**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>82</td>
<td>82</td>
</tr>
<tr>
<td>Communication between customers and ICA Pearson Correlation</td>
<td>0.487**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>82</td>
<td>82</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

According to the Table 8, it is shown that the level of correlation coefficient between these two variables is 48.7%. This means that there is a medium level of positive nonlinear correlation between the two variables. The degree of meaningful level in this test is at the 0.01 (1%) and is lower than 5%. Therefore, hypothesis H0 is rejected and hypothesis H1 is accepted with 99% significant level.

H3-4 confirms that communication between customers and ICA can be increased through mobile and more communication requires ICA to focus more on mobile marketing. Consequently, it is important for ICA to invest in their mobile marketing in order to attract more customers in the future.

### 4.2.3. Reliability test

In order to ensure the internal consistency, reliability analysis has been done. According to Table 9, statistical reliability of the questionnaire was confirmed then by its stability and justifiability. Regarding Cronbach’s Alpha, the reliability coefficient is at approximately 72%. The internal consistency of the correlations of the variables is between 0.7 and 0.8. This shows that three research variables (customer satisfaction, communication and mobile marketing) have inter-correlation and thus the result of this research is reliable and appropriate.
Table 8: Case Processing Summary

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases Valid</td>
<td>82</td>
<td>100,0</td>
</tr>
<tr>
<td>Excluded a</td>
<td>0</td>
<td>0,0</td>
</tr>
<tr>
<td>Total</td>
<td>82</td>
<td>100,0</td>
</tr>
</tbody>
</table>

Table 9: Reliability Statistics

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.716</td>
<td>3</td>
</tr>
</tbody>
</table>

4.3. Interview results

In this part of the paper, we will introduce result of the interviews. The interviews were taken from owners, managers and employees of ICA stores in five different cities including Karlskrona, Solna, Linköping, Skrapan and Västerås. The interviews were conducted via telephone calls (5-15 minutes) and email throughout January. See Appendix for questions. Below is the result of the interviews presented one by one.

1. Lars Thomsen - Special Store Manager
ICA MAXI KARLSKOGA

This was a phone interview. Although language could have been a barrier, the store manager was able to communicate in English thus there was an easy flow.

When asked if the store engaged in mobile marketing, Lars affirmed by saying that they have the mobile phone application. We further asked about what motivated the investment in the mobile phone application and Lars responded by saying the store started it because they wanted to make it easier for customers to shop within their stores.

Moreover, when asked about the review and their experience over time, as regarding how effective the application has been, Lars Thomsen mentioned that it has been helpful for the customers because they are able to make a list of their shopping and the app directs them according to where the items are located without having to stress themselves all around the store. Thus customers have a good time in shopping within the stores.

2. Tommy Petersson - IT Staff
ICA MAXI LINKÖPING

This was also a telephone interview, though the company officer was not fluent in English he managed to provide useful answers to our questions. When asked what was the drive for launching the application, Tommy started out by mentioning that it was just another service
for customer and the store has it since other stores have the same; besides customers of the ICA Maxi Linköping requested it, hence the store launched the application about a year ago.

When asked about how effective it has been in achieving its objective of helping customer with easier shopping experience, Tommy reiterated that no feedbacks have been gotten from customer. However, he affirmed that there are about 7000 downloads already which in his opinion showed that the mobile marketing channel is gaining popularity with the customers of the store.

When asked if there is other functions that would be added to even make it more exciting for customers to use, Tommy mentioned that another company was responsible for the development and thus he wouldn’t be able to provide answers on that.

3. Helena Nordmark – Data Manager
   Johan Selin – Sales Manager
   Maxi ICA Stormarknad HÅLLA Västerås

This should have also been a phone interview. When we contacted Helena Nordmark who is the Data Manager in ICA, before hanging up the phone, said that she does not speak English, thus it was impossible to have the interview with her. Also Johan Selin who is the sales manager mentioned that their store does not engage in mobile marketing, also from our research we found that the store had an iPhone application in the iTunes Stores where mobile applications are purchased and downloaded. We assume that the language barrier was the major obstacle here.

4. Erik Schartau – The Merchant (Store owner)
   ICA Supermarket SKRAPAN

This was a telephone interview also. The interview with Erik at ICA supermarket Skrapan revealed that the store was one of ICA’s first stores that launched the mobile phone application. They launched it about a year ago and at that time it was more of a test. The store thought it was fun to have it since it would create some form of excitement for the customers to ‘have the store’ on their phone. In his words, Erik said ‘We were curious about the application as there was no previous experience, due to the fact that we were one of the first ICA Stores to use it.’

In assessing the impact on the sales, Erik said that ‘The mobile application is one of many things that boost the sales of the store’ and the responses of customers vary from time to time depending on the offers. However, Erik thought that ‘On the long run, it would be profitable for the store’.
In assessing the impact on customer, Erik said ‘Customers were not worse off having it’. The application was launched more like a test-basis that is to see what the outcome would be, however its use might be extended.

5. Niklas Johansson - The Merchant (Store owner)
ICA MAXI Solna Business Park

We went to the store with a Swedish translator. Since the receptionist connected us to the store owner on the telephone, the interview was through telephone. Since the Swedish translator spoke for us, it was a success compared to the other interviews.

When we asked if the store contributes to any mobile marketing, Niklas said ‘Yes’. ICA Maxi Solna Business Park did not have any SMS offers to the customer’s mobile; however, they had mobile application which was supplied centrally. Niklas explained the reason that they have mobile application: ‘It is not good to have no mobile application nowadays, since it is a modern marketing channel’. And this is a general ‘market demand’.

Niklas continued that ‘People are using more and more smartphones and iPhones’. They use more mobile applications and especially Social applications such as for Facebook. Therefore, even without a mobile application, the store can actually communicate with its customers actively through Facebook. He said that social media (Facebook) is also ‘a good way to increase interaction and communication with its customers and thus important’. Facebook helps its customers to be active, communicate free with ICA and give even feedback them.

When we asked about the connection between mobile marketing such as mobile application and customer satisfaction as well as loyalty, Niklas answered that mobile marketing affects customer satisfaction and loyalty indirect. He explained that having no mobile application that customers demand does not make customers to be not satisfied or to stop going to ICA and choose other stores. However on the hand, by providing it, ‘the store is making its customers more satisfied’. For instance, communication through Facebook helps the store to increase customer satisfaction and later loyalty, since it provides opportunity for customers to communicate actively with the store.

Lastly to the question about future mobile marketing investment, Niklas answered ‘Yes, absolutely! We will invest and focus more on mobile marketing in the future as customers are using more and more smartphones and different applications’. This shows that ICA Maxi in Solna Business Park is very positive about mobile marketing and it will increase its mobile marketing.
6. **Johanna Lepistö – Marketing Director**  
**ICA Banken AB**  
The interview was through email. Regarding the opportunity of mobile internet bank for customers, Johanna mentioned that ‘*We see that more and more customers use the mobile web. Customers can apply for new products and services through this channel*’.

She later explained the mobile marketing benefit to the company from sales perspective. She said that the new sales are still primarily via the web. Johanna continued that ‘*Sales are mainly because of increased customer satisfaction*’. She explained that customers are more satisfied when the mobile bank is perceived easy and accessible.

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5. **ANALYSIS / DISCUSSION**

*In this part of the paper, we will first discuss and analyse our theoretical and empirical findings. Later, we will bring the research limitations for consideration. As a result, we will try to find the answer for our research question – if there is an association between mobile marketing and customer loyalty.*

In the result of the survey part of the empirical study we find a tendency to relationship between mobile marketing and customer loyalty. This is in alignment with the result from the interviews, where the main believe of the personnel of ICA is that a relationship does exist. Although we also find strong evidence in our theoretical framework, we need to take our implications of methodology into consideration before making a conclusion in general.

The main point in the customer satisfaction theory, for example, tells us that customer satisfaction comes when the outcome of a transaction or interaction matches or exceeds the expectation of the customer (Gilmore & McMullan, 2009; Cardozo, 1965; Parasuraman et al., 1991). This was supported in our survey that customers are more likely to be satisfied if ICA provides the information and offers that customers want through mobile. In the interview, an owner of ICA MAXI Solna Business Park, Niklas Johansson says that it is also a customers demand to have for example mobile application for the ICA stores and by providing it ICA is making its customers more satisfied. Another interviewee, the Marketing Director at ICA Banken AB, Johanna Lepitö says that its mobile web provides customers with information and services in an easy and effective way, so the customers are satisfied. This means that customers are satisfied if they get what they demand.
The theory also says that by identifying the customers and discovering the needs, you increase their satisfaction and strengthen the bond to the company (Hub, 2005; Kotler & Armstrong, 2001; Palmer & Koenig-Lewis, 2009). In our research this is supported as we find evidence that the more ICA communicate with the customers the more satisfied they will be. This means that, through the increased communication done by the mobile phone, customer satisfaction naturally will increase. However, we need to keep in mind the population distribution in our survey before claiming this to be true. The younger people represent a majority in the sample population. Younger people also to a much larger extent own a mobile phone and thus are more willing to use them as a mean for communication. Consequently, the most convenient way to communicate with ICA for people with smartphones would be with a smartphone, anything else would be inconvenient and decrease demand for their services and with that satisfaction. Thus, we need to shed light on the fact that it is the possibility itself that increases satisfaction and not the actual mobile marketing.

That being said, as the mobile web is growing, it creates a huge advantage for companies to provide customers with information in an easy and effective way (Srinivasan et al., 2002). The trend is upward shifting since demand and downloads of mobile applications are increasing year by year (Apple Inc., 2011; Lam et al., 2003). Several of reports show that the value for the customers are endless when companies provides them, with quick, direct and easy to access information (Bellman et. al, 2011; Christ, 2011; Anckar et al., 2002). Leading on, this is in very much in accordance with our findings that people who are able to get the information and offers they want also are more likely to be satisfied. The customers in the survey also believe that ICA should enhance their investments in mobile marketing to attract more customers. Based on this it is obvious that the mobile trend especially for the younger people represented in our survey is attracted to communicate and get information from ICA through the mobile phone. This is a result of a larger trend for mostly suburban youth. These people however do not belong to the focus group of ICA, due to their relatively small purchasing power and due to their relatively modest buying at ICA. By other words, their share of ICA’s revenue is not that large. For people in the following two age brackets the presence of smartphones is smaller and they are less likely to follow the most recent trends. It is not possible for us to make the conclusion for these populations that mobile marketing has a significant effect on customer loyalty in this case and since these are the primary groups, there is not enough evidence to claim that such correlation exists in general.
The general trend at ICA, however, both at corporate level and store level is that they are investing in mobile applications. This claim is supported by Erik Schartau ICA merchant at ICA Skrapan who states that “The mobile application is one of many things that boosts the sales of the store”. But also by Niklas Johansson ICA merchant at ICA Maxi Solna saying that “We will invest and focus more on mobile marketing in the future as customers are using more and more smartphones and different applications”. These statements add strength to the study of Hennig-Thurau et al. (2010) who formed a theory involving the interaction of information between stores and customers in a way to earn mutual trust and thus making customers feel more secure and attached to a specific store. According to other studies, this interactive communication helps companies to involve feelings and emotional attachments to products, services or the company as a whole (Hallowell, 1996; Ang & Buttle, 2006). Arguably, the evidence shows that ICA is at least exploring the possibilities with mobile marketing to increase satisfaction and sales. The set of interviews carried out with ICA, however, does not give us an idea about the increase in customer satisfaction so far. Reading between the lines there are mostly promises and prospects to increase sales, but any real evidence have not been provided. As mentioned in the methodology section, we are already facing reliability concerns with the interviews because of possible individuals and company-specific agendas. The evidence for increased mobile marketing on their part is reliable, but the outcome so far is not.

Concluding the discussion, we have found that based on our empirical study alone along with the existing theoretical framework the result of our research tend to favour the theory. That being said, there are clear implications in our result, primarily related to the reliability in our findings and our sample group. It is not possible to say more than that there is a tendency to correlation between mobile marketing and customer satisfaction; our concerns are too big to claim more than that. ICA makes a customer satisfaction survey every year, it is public and the survey’s reliability is to be considered as high even though carried out by ICA. In the survey ICA is ranked very high when it comes to customer satisfaction (ICA, 2009). Obviously, ICA is doing something correct in their struggle to increase customer satisfaction. Our interviews show that mobile marketing is one of those things. There is also a strong tendency from young people that mobile marketing is an up and coming way of increasing interest for companies. Adding these things together it is clear that more research needs to be done on the subject to truly verify or falsify mobile marketing as a way to increase customer loyalty through satisfaction and interactive communication.
6. CONCLUSION

This research aimed to scrutinize if there is an association between mobile marketing and customer loyalty. We studied it both theoretically and empirically. Our empirical study included six interviews and a survey. They were conducted in a specific population. In the samples there was a positive relationship between mobile marketing and customer loyalty.

However, before we make any generalized conclusions from this, we need to take our limitations of method into consideration. The population chosen in our survey did not represent the target group and thus the average customer of ICA. This means that even if we found a positive relationship for our survey respondents, we cannot make the conclusions for the entire population and thus we cannot reject the null hypothesis for the entire population.

When it comes to the answers from ICA store owners and personnel, they have been able to verify that mobile marketing is seen by them as a means to increase customer satisfaction and an area for future investment. They all possess inside information and have given us essential information as to the validity of our discussion. If anyone knows if their investment in mobile marketing has paid out it is them. However, we need to question the degree of reliability in the information they have given us since it might be a matter of self-fulfilment. It is in ICA’s self-interest to spread good news about their company to the public. In some cases this is also relevant on personal levels since some people have jobs attached to the concept of mobile marketing and thus hope that it is successful.

That being said, we of course hope for more research. At a later day when the general public has to a larger extent adopted smartphones as a part of their everyday life the tendencies which we have hypothesized might be easier to observe. We hope that we have scratched on the surface to this new field of study and made an addition to existing theory.

6.1. Further research

Mobile marketing is a relatively new field of study and there are not many researches in this context. Therefore, we want to continue our research in the future. One way of doing this would be to conduct the survey with more samples and do it over time. Moreover, we would like to interview more ICA stores including ICA AB, and even possibly other groceries retailers.
In order to decrease the subjectivity of the interviews, we would then investigate income statements (sales and mobile marketing expenses) of the stores by correlating these with mobile marketing figures, for instance, the number of customers who log in to mobile webpage everyday and the number of customers who receive advertisements and offers into their mobile. This is essential, because the data will be more solid and will give a clearer picture of how mobile marketing affects customer loyalty.

7. IMPLICATION for ICA

ICA is one of the Sweden’s strongest brands and its customers seem to have confidence in the store (ICA, 2010). Here, we will give some suggestions and advices to ICA for promoting its customer loyalty through mobile marketing based on the research findings. We should reiterate however that the findings are based on the customer sample we took, which does not represent the average customer of ICA, thus it might not represent the stand of the entire customer population.

First, price should be one of the key focuses in ICA’s future strategies – The survey suggests that 71% of the our respondents want offers and information from ICA, mostly discounts and offers (49%), food recipe (14%), job vacancies, inspiration and tips, invitations and advertisements. They also want information about ICA stores and its products. These tell us that this sample of customers want to know about ICA and be sure about the products and its quality. They want offers and information on mostly food, drinks, daily products, ICAs ‘egna varor’, ecological products and kitchen utensils. Giving these information and offers to its customers might not only increase sales, but customer’s satisfaction.

Regarding the survey result, most of the respondents (64%) shop at ICA at least 1-2 times a week. However, 41% of them choose other stores if they have better offers and cheaper price. Therefore, it is might be beneficial for ICA to have loyalty programs, for example through mobile.

Loyalty clubs such as SMS customer club and ICA mobile application club or ICA mobile users club can be effective and profitable. The respondents want information by post (17%) and at the store (23%). On the other hand, more than 37% of them want this information through their mobile including SMS/MMS (24%), mobile application (9%), mobile homepages and mobile game. Furthermore, there are not many of the respondents (9%) using
ICA’s mobile application; however, 79% of all respondents want to use ICA’s mobile application.

Our study also shows that interactions and communications are important for making new customers and even retaining the existing ones. The more the communication with customers, the more increase in the level of satisfaction. Also, having more communication with its customers, ICA can strengthen its brand (Bellman et.al, 2011). For instance, increased communication through mobile might help customers to get better image of ICA. The survey shows that, respondents will then find more about ICA, prefer ICA more than other stores, shop more at ICA and even think about ICA more often.

In conclusion, giving the fact that mobile marketing is emerging both in practice and research, though investment in optimising mobile marketing channels can be huge, it might bring long term benefits. Above picture shows that ICA could see mobile channels as means of communication with customers, which can increase brand awareness, lead to relationship with customers are overall earn the loyalty of the customers.

Finally, mobile marketing strategies should be essentially planned and the outcomes and the results should be measured and taken in consideration for future investment in mobile marketing. Thus, it might also for insightful if ICA would launch own research on the possible relationship between mobile marketing and customer loyalty, and to assess the effect (if any) on their business.
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APPENDIX

Interview questions basic

1. When did ICA start its Mobile Marketing?
   a. SMS: _______
   b. Mobile application: _______
   c. Mobile internet page: _______

2. Why did ICA start it? Was it based on customers’ request?
   a. SMS: _______
   b. Mobile application: _______
   c. Mobile internet page: _______

3. Has it been effective or profitable for the company? In what way?
   a. SMS: _______
   b. Mobile application: _______
   c. Mobile internet page: _______

5. Does mobile marketing increase ICA’s customer loyalty? How?

6. Does mobile marketing increase ICA’s customer satisfaction? How?

7. Does mobile marketing increase interaction and communication between ICA and its customers? How?

8. Have you had any customer feedbacks? What do they say?

9. Does ICA see mobile marketing as an effective way to provide information and offers that ICA’s customers want? Why?

10. Finally, what is your aim and objectives of mobile marketing?
1. Vilken typ av mobiltelefon har du?
   - Standard
   - iPhone
   - Android
   - Annan smartphone
   - Har ingen mobiltelefon

2. Vad använder du din telefon till? (Flera svar är okej)
   - Ringa
   - SMS
   - MMS
   - Spel
   - Internet
   - Apps
   - Social Media
   - TV/Youtube
   - Shopping
   - Betalningar
   - Musik
   - Annat: _______

3. Vad tycker du om SMS-reklam? (Kryssa för de 3-5 alternativ som stämmer mest överens med dig.)
   - Informativa
   - Påträngande
   - Sparar pengar
   - Sparar tid
   - Kommer för många
   - Kommer inte så många
   - Kommer lagom antal
   - Har förtroende för det
   - Irriterande
   - Intrångsrisk
   - Annan: _______
   - Ingen åsikt

4. Från vilken kategori affärer inom detaljhandeln får du idag SMS eller har deras mobila applikation?
   - Mataffär
   - Klädesbutik
   - Hembutik
   - Apotek
   - Skönhetsvård
   - Annat: _______
   - Ingen

5. Om du får erbjudanden, hur ofta använder du dem?
   - Varje gång
   - Oftast
   - Ibland
   - Sällan
   - Aldrig

6. Hur ofta handlar du på ICA?
   - Varje dag
   - 3-5 ggr per vecka
   - 1-2 ggr per vecka
   - 2-3 ggr per månad
   - 1 gång i månaden
   - 1-6 ggr per år
   - Aldrig

7. Går du till andra mataffärer än ICA? Varför?
   - Nej, jag föredrar ICA
   - Ja, om andra affärer har billigare pris/bättre erbjudande
   - Ja, men jag handlar oftast på ICA
   - Ja, jag föredrar andra affärer mer än ICA
   - Ja, om det finns inte ICA i närheten

8. Har du någonsin använt eller vill använda ICAs mobilapp? (Sätt X i första rutan om du använder, X i andra om du vill använda.)
   - Location app
   - Matrecept
   - Matlista
   - Mobila betalningar
   - Information/Nyhets app
   - Shopping app
   - Blog app
   - Social media app
   - Personligt konto
   - Information/Nyhets app
   - Inbjudnings app
   - Spel app
   - Sökmotor app
   - ICA reklamfilms app
   - Inget

9. Vilken typ av produkt, tjänster och erbjudanden vill du få från ICA?
   - Mat
   - Dryck
   - Dagliga produkter
   - Kläder
   - Skor
   - Jobberbjudande
   - ICAs egna varor
   - Ekologiska produkter
   - Matbäcker
   - Köksredskap
   - Matlagningsspel
   - Ingå alls

10. Vilken typ av information vill du få från ICA?
    - Erbjudanden /Rabatter
    - Reklam
    - Information om affären
    - Inspirationer och tips
    - Jobberbjudanden
    - Butiks-hittare
    - Matrecept
    - Information om produkter
    - Tävlingar
    - Ingen alls

11. Hur vill du få information och erbjudanden från ICA?
    - Telefonsamtal
    - SMS/MMS
    - Email
    - ICA spel
    - ICAs mobile app
    - I brevlådan
    - Social media
    - I butiken
    - ICAs hemsida
    - Mobila hemsida
    - Vill inte ha information och erbjudanden

12. Om du har valt SMS/MMS, varför har du valt det?
    - Snabbt
    - Direkt
    - Nära
    - Enkelt

13. Påverkar det din bild av ICA om du får erbjudanden genom mobiltelefonen?
    - Ja, jag får reda på mer om ICA
    - Ja, jag skulle föredra ICA mer än andra butiker
    - Ja, det få mig att handla mer på ICA
    - Ja, det skulle få mig att handla mer på ICA
    - Nej, det påverkar inte min bild av ICA oavsett om de har en mobilapp, hemsida eller SMS.

14. Tror du att mobiltelefonen kommer användas för att öka kundnöjdheten i framtiden om ICA erbjuder mobila tjänster som konsumenterna efterfrågar?
    - Ja
    - Nej

15. Tror du att mobiltelefonen kommer användas för att öka kommunikationen mellan dig och ICA i framtiden?
    - Ja
    - Nej

16. Vad tror du om framtiden för mobiltelefonmarknaden?
    - Jag kommer använda min mobiltelefon i större utsträckning och konsumera fler tjänster genom mobilen än förut.
    - Jag kommer använda min mobiltelefon i ungefär samma utsträckning som idag.
    - Jag kommer att använda min mobiltelefon mer sällan i framtiden.

17. Tror du att det är viktigt för företag som ICA att bredda sin satsning på mobiltelefoner för att attrahera framtidens kunder?
    - Ja, det är viktigt om man i framtiden vill stå sig i konkurrensen mot andra företag.
    - ICA:s mobiltelefonsatsning kommer varken bidra positivt eller negativt som framtida konkurrensmedel.
    - Nej, ICA är inte i en bransch där interagering med mobiltelefonen är väsentlig för framtida konkurrens.

83

Tack så mycket!