

Mobile Customer Relationship Management: An Exploratory Comparative Study of Rural and Urban Consumers

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KEYWORDS Mobile Technology Communication. CRM Strategy. Mobile Marketing Messages. Customer Loyalty

ABSTRACT The present study aims at combining customer relationship management (CRM) strategy and mobile technology in order to analyse the effects of mobile marketing messages on customer loyalty. Further, this study aimed to investigate if mobile marketing messages are a cost-effective and convenient way to reach customers in rural areas, who do not have access to personal computers but can use their mobile phone to access the internet in order to communicate with marketers. This study used a quantitative research approach. A self-administered questionnaire using a 5-point likert scale was developed and piloted. The questionnaire was distributed to 385 urban consumers in the Johannesburg central business district (CBD) area and to 373 rural consumers in township areas. The one-way ANOVA test suggested that there is a difference between rural and urban consumers' attitudes towards mobile marketing messages. The multiple linear regression results proved that mobile customer relationship management (m-CRM) is an effective strategy that will increase customer satisfaction and improve customer retention rates through the provision of better mobile marketing communication services. Thus, the implication for marketers is that they should implement this m-CRM strategy into their existing marketing mix so that marketers can benefit from considerable cost-efficiencies and repeat purchases from loyal customers.

INTRODUCTION

In the future, the words television commercial will lose its meaning. Instead, marketers will create multimedia communication for distribution to consumers anytime, anywhere, to any device, on demand by the user. As this trend plays out, customers will demand information, entertainment and communication whenever and however they desire and in small files for quick downloading.

Africa is in the midst of this technological revolution and nothing illustrates this fact better than the large number of mobile phone users (Hutton 2011). More African consumers have access to mobile phones than to clean drinking water (Hutton 2011). In both developing and developed countries, there is a high penetration and adoption rate of mobile phone devices (Al-

alak et al. 2010). In South Africa, there are more active SIM cards than the number of people in the country. In fact, the current mobile penetration rate is 128% (Potgieter 2013). These statistics indicate a constant growth in wireless communications (Strauss et al. 2009).

Mobile refers to the mobile medium, device, channel or technology (Shankar et al. 2010). Mobile commerce refers to the buying and selling of products and services through wireless handheld devices, opening up new opportunities for marketers to build relationships with their customers (Gay et al. 2007). Mobile marketing is a field within mobile commerce that has revolutionised the way marketers communicate, attract and retain customers (Wu et al. 2005). Scharl et al. (2005), define mobile marketing as the use of wireless media to provide customers with personalised information about products, services and ideas, which is timely, location-specific and for the benefit of all stakeholders.

Mobile marketing, which involves two or multi-way communication and the promotion of an offer between a firm and its customers using a wireless handheld device, is more demanded (Shankar et al. 2010). Mobile marketing has the potential to transform the concept of marketing

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from a traditional one based on consumers entering the marketer's environment to a more innovative concept, where marketers enter the consumer's environment through anytime, anywhere mobile devices (Shankar et al. 2010).

Recent statistics have informed that there are 6 billion mobile subscriptions, worldwide (Lai 2013). Mobile phones are gaining popularity globally and changing the way in which people communicate (Friedrich et al. 2009). Mobile communication is important because it provides a direct, personalised communication platform for marketers to obtain feedback from consumers (Shankar et al. 2010).

It is necessary for marketers to adopt mobile customer relationship management in order to keep up with industry trends and satisfy their customer's needs and preferences in a globalised and technologically-advanced world. Mobile customer relationship management refers to the application of mobile technology to support customer relationship management processes and transfer certain inputs such as perceived value, into outputs such as customer loyalty, efficiently and effectively (Schierholz et al. 2007).

Today, 29 million South Africans use mobile phones more than radio, television or personal computers (Hutton 2011). Social media platforms are primarily accessed through the mobile device (Potgieter 2013). Potgieter (2013) further suggests that over 80% of Facebook visits are conducted via the mobile medium and 3.3 million unique South African users have blackberry chat (BBM).

In contrast, most South Africans in rural areas do not have access to the internet so the mobile phone helps to bridge the communication gap between the richer and poorer areas (Hutton 2011). m-CRM helps marketers to use mobile messages to diminish the barriers of communication as a result of the digital divide (Petzer 2011). The objective of the study is to compare whether rural customers differ from urban customers in terms of their acceptance of mobile marketing messages and to analyse the effects of mobile marketing communication on customers' loyalty.

m-CRM is essentially a combination of mobile technology and marketing strategy (Hsu and Lin 2008). CRM enables a company to become familiar with its customers so that customer needs can be met (Hsu and Lin 2008). Mobile technology helps a firm to implement this strategy in

order to achieve the marketing objectives (Hsu and Lin 2008). m-CRM refers to the use of the mobile phone for the purpose of managing customer relationships and effectively communicating with customers (Sinisalo et al. 2006). Communication plays a vital role in m-CRM (Sinisalo et al. 2006). To provide value to the customer, communication should be continuous, consistent and based on the individual customer's preferences (Sinisalo et al. 2006). In general, marketing communication through the mobile medium can occur in the form of information, advertising, feedback and via competitions (Sinisalo et al. 2006).

Problem Statement

However, in developing countries like South Africa, it is difficult for marketers to communicate and build relationships with consumers in rural areas because of the digital divide and the poor Gini coefficient (Pitta et al. 2008). The Gini coefficient is the international standard for measuring income distribution or the dispersion of wealth in a country (Bosch et al. 2010).

In South Africa, the Gini coefficient is 0.57, which means that there is an uneven dispersion of wealth because there is a gap between the first economy and the second economy (Bosch et al. 2010). The first economy consists of upper living standard measurement (LSM) groups (Bosch et al. 2010). The universal living standard measurement quantifies the ownership of certain durable goods and the access to services to yield a composite measure of social class (Lamb et al. 2008). These upper LSM 5-10 groups include individuals in urban areas who earn above average income; they have access to basic services and are well educated (Lamb et al. 2008). The second economy includes the bottom of the pyramid (BOP) consumers; the vast majority reside in rural areas (Lamb et al. 2008). These BOP consumers earn the minimum wage and have limited access to services and technology (Lamb et al. 2008). According to Pitta et al. (2008), marketers can use m-CRM as a strategy to bridge the communication gap between the richer and poorer areas in South Africa.

In addition, Pitta et al. (2008) suggest that a firm can create a favourable brand image by providing rural communities that have limited access to communication technology, with a mobile communication platform to expose them to

promotional media and gain feedback from these rural consumers. This feedback could form part of the firm's market research initiatives that will help to improve current product or service offerings and to introduce innovation to meet their mobile customer's changing needs and preferences (Ranjan and Bhatnagar 2009). Further, the firm is contributing to corporate social responsibility by taking into account society's best interests simultaneously (Pitta et al. 2008). Thus, marketers should encourage consumers in remote regions to adopt mobile technology because only this can create an effective two-way communication channel, which will improve their standard of living. Furthermore, this will result in an increased customer base and represent profitable opportunities for marketers to exploit (Pitta et al. 2008).

The purpose of this study is to investigate whether there are differences between urban and rural consumers' attitudes and willingness to receive mobile marketing messages via text messages, mobile applications and mobile websites. It is also important to determine if consumers will derive value from mobile marketing messages and if this perceived value will result in increased customer satisfaction. Increased customer satisfaction will then be used to determine the customers' level of loyalty towards a firm that uses m-CRM to build relationships with their customers.

Research Objectives

Primary Objective

The primary objective of the research is to investigate whether mobile marketing messages are effective in establishing and strengthening relationships with customers, increasing customer satisfaction and improving customer loyalty

Secondary Objectives

- i.) To determine whether there is a difference between rural and urban consumers' willingness to adopt mobile technology.
- ii.) To investigate rural and urban consumers' attitudes towards mobile marketing messages.

Hypotheses

To test the primary objective of this study the following hypothesis was formulated:

H_1 : To determine whether consumer's attitudes, customer satisfaction and customer relationship management has a direct impact on customer loyalty.

To test the secondary objectives of the present study, the following hypotheses were formulated:

H_2 : To test the difference between rural and urban consumers' willingness to adopt mobile technology.

H_3 : To test the difference between rural and urban consumers' attitudes towards mobile marketing messages.

RESEARCH METHODOLOGY

Cronbach Alpha

The Cronbach Alpha is used to measure the internal consistency of the questionnaire (Krommenhoek and Galpin 2012). Furthermore, the Cronbach Coefficient Alpha is defined as a measure of squared correlation between observed scores and true scores (Yu 2012). Tavakol and Dennick (2011) define internal consistency as all the items in a scale that measure the same concept or construct. Furthermore, any Cronbach coefficient value that is above 0.7 is an acceptable result (Tavakol and Dennick 2011). A high Cronbach alpha value shows that the variables are well-correlated and internally consistent with each other (Tavakol and Dennick 2011). The standardized Cronbach coefficient alpha was 0.99, which is very close to 1. This indicates that the data collected from the actual study was very reliable and the questions were well correlated with one another.

Research Type

Quantitative research is defined as a form of research methodology that seeks to quantify the data collected and typically applies to some of the statistical analysis (Malhotra et al. 2006). Quantitative research seeks to quantify the data and generalize the results from the sample to the population of interest (Malhotra et al. 2006). The study adopted a descriptive approach. Malhotra et al. (2006) further suggest that a cross-sec-

tional design is a type of research design which involves the one-time collection of information from a given research sample of a population. Furthermore, a cross-sectional study is conducted when a researcher is interested in obtaining a picture of the marketplace at a single point in time (Malhotra et al. 2006). Cross-sectional designs are far more commonly used than longitudinal designs (Malhotra et al. 2006). In addition, cross-sectional designs cost less than longitudinal designs (Malhotra et al. 2006).

Sampling

A sample was necessary because it is not possible to examine all subjects or factors of the South African population that influence the effectiveness of mobile marketing messages due to time and cost constraints in conducting the research (Krommenhoek et al. 2012). Krommenhoek et al. (2012) suggest that another reason for restricting the study to a subset of the population is that one can spend more time obtaining results for each member in the sample. This usually results in higher quality data. One can also ensure that 'difficult to reach' areas like consumers in rural areas, are accurately represented in the sample (Krommenhoek et al. 2012).

Probability sampling means that every member of the population has a known probability of being selected (Malhotra et al. 2007). In contrast, non-probability sampling means that the members of the sample are selected on the basis of convenience and the researcher's personal judgement (Malhotra et al. 2007). For the purpose of this study, it was deemed most appropriate to make use of a non-probability sampling method.

According to Krommenhoek et al. (2012), convenience sampling is a form of non-probability sampling, in which sample members are chosen according to their availability and willingness to provide the necessary information. This type of non-probability sampling allows the researcher to collect a sizeable amount of data from the sample members in a cost-effective and timely manner (Krommenhoek et al. 2012). Thus, the respondents of this sample were selected by means of drawing a convenience sample from the South African population residing in Gauteng.

Data Collection

The target population consisted of urban and rural South African consumers who resided in

the Gauteng Central Business District and Meyerton, a rural town situated in close proximity to Gauteng. Seven hundred and fifty-eight respondents from all genders, races, age groups, education levels and cultures constituted the part of the representative sample. Three hundred and eighty-five of the respondents that resided in urban areas were asked to participate in the research and the other 373 of the respondents from rural areas were located at local high schools in a rural town, Meyerton. The combination of urban and rural respondents allowed the researcher to obtain a wide variation in the data (Krommenhoek et al. 2012).

The Instrument for Data Collection

In addition, the questionnaire was distributed in city and township areas throughout Johannesburg, which nullified the constraint of the requirement for relatively small samples. The questionnaire was generated from many different sources and adapted to the researchers' specific research topic at hand. Two pilot studies were carried out, which included 30 respondents each. A total of 30 urban and 30 rural respondents were invited to participate in both of the pilot studies. The pilot study was carried out twice in order to increase the raw and standardised Cronbach alpha values. Hence, the questions asked after the necessary changes were made, were more accurate and reliable after both of the pilot studies were conducted.

Data Analysis

A multiple linear regression and two-sample t-tests were conducted on all of the input and output variables to test the hypotheses in this study. If the p-values were greater than a 0.05 level of significance (α), the null hypothesis (H_0) was supported (Krommenhoek et al. 2012). However, if the p-value was less than 0.05, the null hypothesis (H_0) was rejected in favour of the alternate hypothesis (H_A) (Krommenhoek and Galpin 2012).

RESULTS

Hypothesis 1: To determine whether consumer's attitudes, customer satisfaction and customer relationship management, have a direct impact on customers' loyalty.

Table 1: Multiple linear regression results

Source	DF	Analysis of variance			
		Sum of squares	Mean square	F value	Pr > F
Model	3	562.88847	187.62949	1401.94	<.0001
Error	756	101.17984	0.13384		
Corrected total	759	664.06831			

The hypotheses that are used to test if there is a relationship between the output constructs and customer loyalty is set out below:

H_0 : There is no relationship between customer attitudes, customer satisfaction, customer relationship management and customer loyalty.

H_A : There is a relationship between customer attitudes, customer satisfaction, customer relationship management and customer loyalty.

The multiple linear regression model, depicted in Table 1, is highly significant with a probability value of (<.0001). This therefore implies that the researcher rejects the null hypothesis and accepts the alternative hypothesis that states that There is a relationship between customer attitudes, customer satisfaction, customer relationship management and customer loyalty.

The R-Square is very high (84.76%). Table 2. This indicates that a large amount of the variability in the customer loyalty construct can be explained by the variation in the customer's attitude, their level of customer satisfaction and the customer relationship management constructs.

According to Table 3, customer loyalty, customer satisfaction and a customer's attitude towards mobile marketing messages are highly significant (<.0001). It suggests that one would reject the null hypothesis (H_0) in favour of the

Table 2: R-square results

Root MSE	0.36584	R-Square	0.8476
Dependent mean	2.69375	Adj R-Sq	0.8470
Coeff var	13.58091		

Table 3: Parameter estimates

Parameter estimates	DF	Parameter estimate	Standard error	t value	Pr > t
Customer attitude	1	0.38542	0.03946	9.77	<.0001
Attitudes towards mobile	1	0.68721	0.02500	27.49	<.0001
Customer satisfaction	1	0.03958	0.02075	1.91	0.0568
Customer loyalty	1	0.12138	0.02265	5.36	<.0001

alternate hypothesis (H_A), that is, a significant relationship does exist between a customer's attitude towards mobile marketing messages, their level of customer satisfaction and customer loyalty towards a firm.

However, the p-value of the customer relationship management construct is insignificant as 0.0568 is greater than 0.05. Therefore, one would reject H_0 in favour of H_A . This means that no significant relationship exists between customer relationship management and customer loyalty. Thus, building relationships with customers through mobile marketing communication does not necessarily increase customer retention rates and thus improve customer loyalty towards a firm.

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Hypothesis 2: To test the difference between rural and urban consumers' willingness to adopt mobile technology.

The hypotheses for the two-sample t-test are set out as follows:

H_0 : There is no difference between rural and urban consumer's willingness to adopt mobile technology.

H_A : There is a difference between rural and urban consumer's willingness to adopt mobile technology.

As indicated in Table 4 at a 5% level of significance, the probability of the F-value statistic 0.3443 is greater than 0.05. Therefore, one would fail to reject the assumption of equality of variances. This indicated that the pooled variance was used to analyse the data. The p-value of the pooled variance is 0.0530. This probability value is slightly greater than alpha, thus one would reject the null hypothesis (H_0) in favour of the alternate hypothesis (H_A). Therefore, there is a significant difference between a rural and urban consumer's willingness to adopt mobile technology. Rural consumers are more likely to adopt a mobile phone as their primary means of communication in comparison to an urban consumer who has unlimited access to a wide variety of communication technology devices and may use multiple communication devices simultaneously.

Hypothesis 3: To test the difference between rural and urban consumers' attitudes towards mobile marketing messages.

The hypothesis for the two-sample t-test is set out as follows:

H_0 : There is no difference between rural and urban consumers' attitudes towards mobile marketing messages.

H_A : There is a difference between rural and urban consumers' attitudes towards mobile marketing messages.

The p-value of the F statistic indicated that 0.0069 was less than the 0.05 level of significance. Therefore, one would reject the assumption that the variances are equal so the p-value of the Satterthwaite method was used to test the hypothesis because the variances were unequal. The p-value (<.0001) was less than 0.05 and it was highly significant. Furthermore, the null hypothesis (H_0) was rejected in favour of the alternate hypothesis (H_A). Therefore, there is a difference between a rural and urban consumer's attitude towards mobile marketing messages. Furthermore, the one-way ANOVA test was conducted to see what the difference was between the two groups. The results were highly significant (<.0001), which suggested that rural consumers had more favourable attitudes towards mobile marketing messages than urban consumers (Table 5).

DISCUSSION

This study proved that building relationships with customers through effective mobile marketing communication will have a direct and significant impact on customer satisfaction and customer loyalty. The p-values from the linear

Table 4: Rural and urban consumers' willingness to adopt mobile technology

A8.	N	Mean	Std dev	Std err	Minimum	Maximum
1	246	3.3862	1.1505	0.0734	1.0000	5.0000
2	504	3.2063	1.2134	0.0540	1.0000	5.0000
Diff (1-2)		0.1798	1.1931	0.0928		
A8	Method	Mean	95% CL Mean	Std dev	95% CL	Std dev
1		3.3862	3.2417	3.5307	1.1505	1.0571 1.2623
2		3.2063	3.1002	3.3125	1.2134	1.1428 1.2933
Diff (1-2)	Pooled	0.1798	-0.00235	0.3620	1.1931	1.1356 1.2568
Diff (1-2)	Satterthwaite	0.1798	0.000821	0.3588		
Method	Variances	DF	t Value	Pr > t		
Pooled	Equal	748	1.94	0.0530		
Satterthwaite	Unequal	510	1.97	0.0490		
Equality of variances Method	Num DF	Den DF	F Value	Pr > F		
Folded F	503	245	1.11	0.3443		

Table 5: Rural and urban consumers' attitudes towards mobile marketing messages

A8	N	Mean	Std dev	Std err	Minimum	Maximum
1	246	2.8977	1.0319	0.0658	1.0000	5.0000
2	504	2.4239	0.8918	0.0397	1.0000	5.0000
Diff (1-2)		0.4738	0.9400	0.0731		

A8	Method	Mean	95% CL Mean	Std dev	95% CL Std dev
1		2.8977	2.7681	3.0273	1.0319
2		2.4239	2.3459	2.5020	0.8918
Diff (1-2) Pooled		0.4738	0.3302	0.6173	0.9400
Diff (1-2) Satterthwaite		0.4738	0.3227	0.6248	

Method	Variances	DF	t Value	Pr > t
Pooled	Equal	748	6.48	<.0001
Satterthwaite	Unequal	428.44	6.16	<.0001

Method	Num DF	Den DF	F Value	Pr > F
Folded F	245	503	1.34	0.0069

regressions indicated that a relationship does exist between customer relationship management and customer satisfaction. Furthermore, a highly significant p-value of less than 0.0001 indicates that customer relationship management does affect customer loyalty. In addition, Hsu and Lin (2008) state that m-CRM is effective in increasing customer satisfaction through mobile marketing messages as it can be used to keep customers informed and to resolve customer complaints. Belachew et al. (2007) recommended that building relationships with customers through mobile communication will improve customer loyalty.

The primary objective was to determine if mobile marketing messages are effective in building customer relationships, increasing customer satisfaction and improving loyalty towards a firm that sends mobile marketing messages to their customers. The multiple linear regression results suggested that whether customers were satisfied with the mobile marketing messages that they received, then these satisfied customers would be loyal to a firm that uses mobile communication to satisfy their marketing information needs. Thus, the primary objective of this study was fully supported.

The two-sample t-test was used to prove the secondary objectives in this study. The results indicated that there was a significant difference

between an urban and a rural consumer's likelihood to adopt mobile technology. In addition, there was a difference between a rural and an urban consumer's attitude towards mobile marketing messages. Perhaps, the limited technological infrastructure and communication barriers that rural consumers experience, may result in a more favourable attitude towards mobile marketing messages in comparison to urban consumers who do not necessarily need a mobile phone to communicate with marketers (Curwen and Whalley 2011). Qiang et al. (2011) further explain that the mobile medium represents a cost-effective and convenient communication channel that provides rural communities with access to marketing information, CRM applications and mobile internet technology.

Further, the multiple linear regression results indicated that effective customer relationship management has a significant effect on customer satisfaction, which is a direct determinant of customer loyalty. Lin and Wang (2005), submitted that customer satisfaction is the most important, a direct determinant of customer loyalty in the mobile marketing environment. If customers are satisfied with companies they use mobile marketing messages to keep them informed and solve their complaints, then they may become loyal to that specific firm. However, the multiple linear regression results, suggest that there is a

significant relationship between consumer's attitudes towards mobile marketing messages and customer loyalty. Perhaps, an unfavourable attitude towards mobile marketing messages may decrease a customer's level of loyalty towards a firm that bombards them with these unsolicited messages.

Potgieter (2013) argues that mobile phones are changing the way that the mass consumer markets engage with the world. Mobile technology gives consumers access to more marketing information, more content and more purchasing options (Potgieter 2013). As Marketers and Strategists, it's important that we understand how consumers' use their mobile phones so that we can build relationships with them through effective two-way communication (Potgieter 2013). Parr (2013) suggests that mobile phones are cheaper to own and easier to run than personal computers, which makes it the preferred communication medium for the lower LSM groups. Baumuller (2012) agrees that mobile technology can be used to reach consumers in poorer and marginalised areas and the mobile medium could help to reduce poverty and improve communication services.

Potgieter (2013), further states that consumers who access the web via their mobile devices, generally, prefer to use their mobile phones for communication, entertainment, searching and even shopping in comparison to other technological devices. However, Baumuller (2012) argues that rural communities are less likely to benefit from mobile technology adoption because their low income and education levels make it difficult for rural consumers' to use the mobile technology correctly. This may lead to

frustrations and rural consumers' are more likely to be misled by false advertising claims that some mobile marketing messages distribute to these vulnerable consumers in order to take advantage of their low literacy levels (Baumuller 2012).

Managerial Implications

The implications for marketers include the fact that mobile communication can help them to segment their market according to their consumers' information and convenience needs (Wu and Wang 2005). A firm that uses mobile marketing to engage with its customers may be perceived as one that is providing them with superior value in comparison to other firms in the industry (Lim et al. 2006). Besides, m-CRM can provide a competitive advantage for firms to provide consumers in rural areas with access to marketing information via the mobile communication platform (Venter et al. 2010).

Table 6 illustrates that m-CRM may offer several benefits and direct implications for marketers. The benefits may include learning from and about the consumers (Sinisalo et al. 2006). This will reveal their needs and interests, which will make it possible to provide consumers with a better and more personalized service (Sinisalo et al. 2006).

The implications for marketers include the fact that marketing professionals should gain permission from their customers before they send mobile marketing messages to them. If marketers obtain their customers' approval before sending them these messages, this may reduce the perceived risk factors such as invasion of

Table 6: The benefits of m-CRM and possible marketing implications

<i>The benefits of m-CRM</i>	<i>The implications for marketers</i>
m-CRM will help customers to interact with marketers and establish long-term relationships (Hsu and Lin 2008).	Marketers will have to provide better communication services in order to solve their customer complaints and keep their customers informed about product and service information (Varnali et al. 2011).
m-CRM can be used as a data mining tool, to learn more about the customer's needs and interests (Ranjan and Bhatnagar 2009).	Marketers will obtain feedback from their customers, which will help them to increase customer satisfaction through improved mobile communication (Ranjan and Bhatnagar 2009).
m-CRM will save the customer and the business; time, money and inconvenience by allowing for instant product and service information to be communicated, quickly and easily (Sinisalo et al.	If customers' derive value from m-CRM than the marketing mix and promotional strategies will have to be adapted to include mobile marketing messages in order to satisfy the customer's needs, reduce customer acquisition costs and increase profitability (Hsu and Lin 2008).

Sources: (Sinisalo et al. 2006; Hsu and Lin 2008; Ranjan and Bhatnagar 2009; Varnali et al. 2011).

privacy if marketers obtain their customers' approval before sending them these messages.

Further, rural consumers' are more likely to have favourable attitudes towards mobile marketing messages because it is cheaper and more convenient for rural consumers' to communicate via mobile messages and mobile websites than any other form of communication medium (Qiang et al. 2011). In addition, marketers should target rural consumers' in their mobile marketing campaigns as they would derive the most amount of value from receiving these messages (Qiang et al. 2011).

Further implications for marketers include the fact that mobile communication can be used to inform consumers and promote products or services, quickly and easily (Varnali et al. 2011). A firm that uses mobile marketing to engage with its customers' may be perceived as one that is providing them with superior value in comparison to other firms in the industry (Lim et al. 2006). However, Petzer (2011) argues that marketers cannot rely on mobile marketing initiatives alone. Perhaps, marketers should use mobile marketing messages to complement their other promotional tools such as television advertisements, online marketing campaigns and sales representatives at the point of purchase to build relationships with their customers, more effectively (Sinisalo et al. 2006).

Marketers should also encourage their mobile customer's to form virtual brand communities on their firm's mobile website because this may create positive publicity for a firm through viral word-of-mouth techniques (Bouhleb et al. 2009). This is the cost-effective and relatively quicker and more effective way to attract new customers' while simultaneously retaining existing ones by encouraging an existing customer to spread positive recommendations about the firm's mobile communication efforts (Wong 2011).

Mobile marketing messages should be relevant to the consumers' interests and it should be targeted at those consumers who have limited access to communication technology. Furthermore, mobile marketing messages can be used to build relationships with customers. However, this may not necessarily improve a firm's customer retention rates, because customer relationship management is not a direct determinant of customer loyalty in the mobile marketing environment.

According to Dowd (2011), there are six rules that an organisation should follow if they want to utilise mobile marketing messages to communicate with their customers:

- ♦ Companies should disclose all the necessary marketing information because customers' should be informed of any terms and conditions that accompany any promotional offering (Dowd 2011). For example, the message could be set out as follows: *"For info about free cool stuff and events, text 'Champion' to 5168. Standard message charges apply. Only 2 messages will be sent per week. To end, text STOP."*
- ♦ The first mobile message should tell people how to get help. When a subscriber opts in, an automatic message should be generated that states that subscribers can click on a specific link if they require any further information or if they need help downloading a mobile application or accessing a mobile website (Dowd 2011).
- ♦ Mobile subscribers should be told how to opt out of receiving mobile messages (Dowd 2011). For example, *"text STOP to end."*
- ♦ Messages must follow formatted guidelines because mobile messages cannot exceed 160 words. Therefore, the mobile marketing messages should be short, simple and capture the mobile user's attention (Dowd 2011).
- ♦ Mobile subscribers have rights and mobile marketers should not violate these rights. It is important for marketers to develop a level of trust with their subscribers by providing them with location-specific and timely information that is relevant to their interests (Dowd 2011).
- ♦ SMS messaging is not free and mobile marketers cannot create the false illusion that consumers' are getting certain information, applications or services for free if this is not the case (Dowd 2011). According to the Consumer Protection Act No. 68 of 2008, it is the marketer's responsibility to develop, improve and protect the rights of their consumers and regulate their unethical business practices (Jacobs et al. 2010).

CONCLUSION

The extent, to which mobile phone ownership has penetrated the South African market, provides marketers with attractive opportunities

to utilise mobile marketing to communicate and engage with these potentially untapped markets. Mobile marketing in South Africa is not just a new trend but it has become a way of life in which consumers' search for information, conduct transactions and socialise.

In addition, mobile marketing messages will provide value to those customers that find it relevant and useful to their interests. This perceived value will result in increased customer satisfaction, which is a direct determinant of customer loyalty. It is more expensive to attract a new customer than it is to retain an existing one. Thus, customer loyalty is an important factor that all firms should take into consideration when formulating marketing strategies.

Rural consumers have more favourable attitudes towards mobile marketing messages than urban consumers because their mobile phone is used on a daily basis as a primary means of communication due to their limited technological infrastructure and low disposable income. Therefore, these bottom of the pyramid consumers' represent a profitable market segment for mobile marketers to target.

Customer relationship management combined with mobile technology implementation can help a firm to improve its communication services and according to this study, m-CRM will improve customer satisfaction. Customer satisfaction is a direct determinant of customer loyalty. Hence, the provision of better communication services and the effective implementation of mobile customer relationship strategy, will improve customer loyalty. Therefore, m-CRM can help marketers to break down the barriers of communication as a result of the digital divide in a developing country like South Africa and it can be used to improve a firm's customer retention rates.

The present study will surely encourage marketers in emerging markets like South Africa, where poverty and limited infrastructure pose potential barriers to effective communication, to consider the infinite benefits that mobile technology coupled with marketing strategy can provide. If customers do in fact, derive satisfaction from mobile marketing communication and are willing to accept mobile marketing messages as proven in this study, it is up to marketers to implement this technological dimension into their existing marketing strategies and campaigns if they want to build relationships with their cus-

tomers through mobile communication and improve their customer loyalty rates for profitable gain.

LIMITATIONS OF THIS STUDY

Limitations of this research includes the fact that primary data was only gathered from a sample of the South African consumers residing in Gauteng because of time and money constraints in conducting the research. Another limitation was that this study did not incorporate a human or subjective component as only a quantitative methodology was used to conduct this research. In addition, only one research instrument, a questionnaire, was used to conduct this study and this may have affected the validity and reliability of the data collected.

Further, the researchers encountered a language barrier when most of the respondents, especially in rural areas preferred to answer the questionnaire in their home language. Therefore, the questionnaire was translated from English into isiZulu and Sesotho so that those respondents, who could not understand English, were still able to participate in this research and give their honest and reliable opinions.

RECOMMENDATIONS FOR FUTURE RESEARCH

Future studies should focus predominantly on rural consumers' attitudes towards mobile marketing messages instead of a combination of urban and rural consumers. Future, the research should focus on rural respondents specifically, because the rural consumers' had more favourable attitudes towards mobile marketing messages than the urban consumers.

This study omits factors such as repurchase intention, handling of customer complaints and likelihood to recommend products or services to other consumers, which are direct determinants of customer loyalty. Therefore, future studies could investigate purchase intention and the use of the mobile phone to handle customer complaints. In addition, future research could look at mobile advertisements specifically and investigate whether mobile advertisements could have an effect on purchase intention.

Future research should further investigate the effect that demographic variables such as gender and level of education will have on the

rate of mobile technology adoption in a culturally diverse country like South Africa. Furthermore, the future studies could focus on mobile marketing messages from a company's point of view and investigate whether effective mobile communication will increase customer retention rates and improve profitability.

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