

# **Marketing to the Digital Self - Assessing the variables affecting the adoption and retention of branded Smartphone applications in relation to the theory of self-concept**

## **Abstract**

This research explores the extent to which Smartphones and Smartphone apps can be viewed as an extension of ourselves. Digital technology allows us to shape who we are (our actual self) and re-invent who we want to be (our ideal self), yet little research has explored how a consumer's self-concept effects their brand engagement with Smartphone apps. Drawing on research from Marketing Communications, Psychology and Human-computer interaction, the relationship between consumers' digital selves and adoption, usage and retention of branded Smartphone apps will be analysed. A longitudinal exploratory study taking a mixed methods approach, will use questionnaires and netnography to examine whether a users' self-concept affects their app usage behaviour. Expected outcomes from the research include contribution of academic knowledge to the neglected area of app usage as well as mobile marketing and digital brand engagement. The variables identified will also provide recommendations for the creation of Smartphone applications as a marketing communications tool.

## **Key words**

branded mobile apps, consumer brand engagement, mobile marketing communication, self-concept

## **Introduction and Purpose of the Research**

The aim of the research is to examine the impact of consumers' self-concept on the branded Smartphone applications they download, use and discontinue using in order to examine the effectiveness of the use of Smartphone applications as a form of brand engagement.

As technology continues to rapidly evolve, brands must follow the online behaviours of their customers in order to encourage long-term engagement and increased loyalty. With sixty-six per cent of the population in the UK now owning a Smartphone, for the first time the Smartphone has overtaken laptop computers as the device of choice to access the internet (Ofcom, 2015). Smartphone applications ('apps' hereafter) have revolutionised the way in which brands interact with consumers through their devices, with the Smartphone acting as the 'connective tissue' that holds communication campaign plans together (Altschuler, 2014).

A 'branded app' can be categorised as a downloadable application to a mobile device which predominately displays a brand's image, logo or branding as part of or in addition to the user's experience with the app. Apps offer brands an invaluable opportunity to interact with consumers on an individual basis, providing benefits and value for both the brand and consumer (Bredican and Vigar-Ellis, 2014). Furthermore, apps allow the consumer to make distinct personal connections with the brand, with the potential to impact on brand attitude and purchase intention (Bellman, Potter, Treleven-Hassard, Robinson & Varan, 2011). Despite large brands investing significant expenditure in enhancing their online brand engagement strategies however (Baldus, Voorhees & Calantone, 2015), little research has been conducted beyond that of technology adoption amongst consumers (Babb, Furner & Racheria, 2014). Although consumers use apps for multiple purposes, including shopping, entertainment and task management, app retention has been found to be considerably low,

with app usage significantly decreasing just twenty-four hours after initial download (emarketer.com, 2015). This highlights the significance of the proposed research from both a brand engagement and consumer behaviour perspective.

Within this research, acknowledging the nature of the Smartphone as a device which consumers are developing an increasing emotional attachment to (Kolsaker and Drakatos, 2009), the theory of self-concept is applied to examine the impact of consumers' perceived digital identities on brand engagement with apps. Analysing consumers' motivations for engaging with brands can help us to determine whether the consumers' goals are in line with the brand's objectives and whether there is congruence between the brand's image and the consumer's self-concept. Consideration also needs to be given over the amount of time, effort, resources and level of risk that a consumer has to content with in order to engage with a brand (White, Breazeal and Webster, 2012).

## **Theoretical Background**

### **Consumer Brand Engagement**

Relationship marketing theory can be seen as a conceptual lens from which to examine consumer engagement (Ashley, Donthu & Lemon, 2011). With its origins in face-to-face sales (Hollensen, 2014), the discipline underlines a shift in marketing practice by focusing on customer interactions over the more traditional 'goods marketing' approach to profit-making within business (Vargo & Lusch, 2009). The aim of relationship marketing is to create long-term relationships with profitable customers. Profitability is thought to be enhanced when customer retention is high (Daukseviciute & Simkin, 2015), driven by customer satisfaction (Egan, 2011) and loyalty (Fornier, Breaseale & Fetsherin, 2012), leading to repeat purchase. Furthermore, engaged consumers have been found to be more likely to spread positive word of mouth thus attracting new customers to gain attention of and take interest in the brand (Leigh & Thompson, 2012).

The concept of brand engagement is complex as consumers develop relationship with brands through emotional, cognitive and behavioural interactions (Hollebeek, 2011). Literature within this area is vast, offering several conceptual models to demonstrate the consumer process of brand engagement leading to customer satisfaction and loyalty (Brodie, Llic, Juric, & Hollebeek, 2011). Although there is little consensus of how to measure CBE, drawing on relationship marketing theory, the process of consumer engagement can be characterised by consumers' 'meaning making' of interactive brand experiences (Graffigna and Gambetti, 2015). Examining varying levels of engagement and subsequent loyalty is paramount to understanding the effects of relationship marketing on the consumer and the brand itself. Of particular relevance to this area of research is the concept of 'value-added' marketing communications to build strong brands within the changing face of the digital marketing environment (Keller, 2009).

### **Branded Smartphone Applications**

Apps can be developed by brands as a form of marketing communications to encourage brand awareness, brand engagement and subsequent purchase behaviour (Kim, Wang, & Malthouse, 2015). There are several factors which have been found to link to app adoption, including the influence of online reviews (Huang & Korfiatis, 2015), perceived usefulness, benefits and

sacrifices (Xu, Peak & Prybutok, 2015, Okumus, & Bilgihan, 2014), and perceived risks, such as potentially compromised mobile phone security or monetary risks (Shen, 2015). Research in to technology adoption also suggests that individual characteristics can impact on user behaviour and can be examined to predict the decision making processes amongst identified consumer segments within the Smartphone market (Kimiloglu & Nasir, 2010). The strength of consumer's emotional attachment to their Smartphone may also affect their receptiveness to mobile technologies (Kolsaker & Drakatos, 2009), although to the researcher's knowledge this is underexplored in relation to app usage.

Eunice, Lin and Sung's research (2011) into engaging consumers via branded Smartphone apps through unique experiences offers great insight into how mobile technology can be used by brands to simulate engagement, however it has not been examined whether the study's participants continued to use the branded apps or showed any greater level of loyalty to the brands following the study. Similarly, Bellman et al (2011) found that branded mobile apps are able to influence consumer's attitudes to brands and behavioural intentions to engage with the selected brands, yet no long-term evidence for whether participants continued to engage beyond the research period has been ascertained. The impact of branded apps on consumer spending has additionally been found to have a positive correlation (Kim, Wang & Malthouse, 2015), yet the relationship between initial motivations for app adoption and long-term continued usage has not been determined.

Research in to the continued use of apps and conversely non-usage of apps, is limited, with few longitudinal studies in to post-app-adoption behaviour. Research currently suggests that the most effective form of brand communication with Smartphone apps has been found to occur when habitual use is encouraged, such as for the management of daily tasks, using location technology or for entertainment purposes (Kim, Wang, & Malthouse, E, 2015). Apps which make personal connections with the consumer have also been found to have a positive persuasive impact on brand attitude (Bellman et al, 2011). Research in to why consumers download apps and subsequently do not use them is ripe for investigation, with research in to un-used products and services highlighting that the need to study the influence of individual characteristics on non-consumption behaviour (Trocchia, & Swinder, 2002).

### **The Theory of Self-Concept**

Brand personality dimensions, such as whether a brand is seen as 'sophisticated', 'rugged' or 'exciting', have been linked to purchase intention by evidencing reasons for consumer preference (Aaker, 1997, Toldos & Orozco-Gomez, 2015). This is linked to Rogers and Maslow's theory of self-concept (1959), by assessing the level of congruence between a brand's perceived personality by the consumer and the consumer's perception of themselves.

Self-concept can be categorised by three core principles – the view one has one oneself (termed the 'actual self'), the attributes one desires to portray (deemed the 'idea self') and the value one places on oneself (known as self-esteem or self-worth) (Rogers, 1959). From a psychological perspective, the ultimate goal of the individual is thought to be to achieve self-actualisation, that being the perceived 'idea self' once an individual's aspirations have been achieved and fulfilment reached (Maslow, 1943).

The theory of self-concept can be applied to formation of brand relationships by applying Belk's theory of possessions and the extended self (1988). Consumers' tendency to engage with particular brands in order to express their own identity (Longinos, & Ruiz, 2013, Chaplin & Roedder, J, 2005) can be seen as a way for individuals to increase their self-esteem by aligning themselves with others who they perceive to fit with their own self-concept. An

example can be demonstrated through the study of fashion branding as clothing garments enable the consumer to represent their image of self physically by wearing the garments and emotionally through the way in which the clothing makes them feel (Evans, 1989).

When examining the impact of brand engagement in a digital world, it is important to acknowledge that the internet offers opportunities for consumers to create a digital version of themselves (Belk, 2015). Being highly personable devices, Smartphones can be viewed as an extension of oneself in which consumers can manage their daily lives as well as well as interact digitally (Epps, 2014). Apps themselves can be defined as 'digital possessions' (Belk, 2014), which consumers form particular attachments to (Spratt, Czellar, & Spangenberg, 2009), yet empirical research into the reasons for this attachment is significantly lacking.

The impact of consumers' expectations and attitudes towards the applications also needs to be taken into account to study the influence of direct experience on app adoption and continued usage (Furner, Pradeep & Babb, 2014) as well as the drivers and outcomes of forming brand relationships through a digital medium (Pentina, Gammoh, Zhang & Mallin, 2013). Literature into the relationship between the fluidity of the digital self and brand communications also needs to be addressed, highlighting the changing role of the consumer when marketing to the digital self (Sciarrino, 2014, Hendrix, 2014).

## **Methodology**

To ensure that the study addresses the central purpose of the research, the following objectives will be explored:

To critically analyse existing academic literature within the areas of brand relationships, brand engagement, self-concept and Smartphone adoption, usage and retention

To examine individual differences in relation to consumers' self-concept and perceptions of their actual self and ideal self

To analyse the impact of self-concept on Smartphone application usage

To investigate the variables affecting branded Smartphone application adoption

To investigate the reasons for non-usage of downloaded branded Smartphone applications

The research will use a mixed methods research design as part of a longitudinal study to investigate the relationships between a consumer's self-concept, app-usage intentions and app usage and retention. The first phase of the research will use quantitative research to measure a) the participant's actual self, b) the participant's ideal self and c) perceived brand image of the selected brands under study from Interbrand's Top 100 Global Brands (2015). The second phase of the study will involve qualitative research through netnography to explore participants' usage behaviour of the selected Smartphone apps. Participants will be asked to keep a diary throughout a given usage period which will be analysed through narrative research, alongside semi-structured interviews with each participant at various stages of the usage period. The researcher will then compare the results from stage one with the results from stage two to examine whether there is any relationship between a consumer's self-concept and the continued use of apps. As a result of the exploratory nature of the study, other variables affecting app adoption and retention will also be examined and categorised, drawing upon any relevant links to the literature.

Due to the nature of the research being longitudinal, several challenges will need to be addressed prior to data collection. The sampling technique for the study will be of the utmost importance to ensure that the sample is not only representative but also the participants are prepared for the commitment to volunteer to take part in the study over several months. Ensuring the research is ethical is also highly important, particularly due to the increasing privacy and security concerns held by Smartphone users (Ofcom, 2015). The researcher will need to plan the study carefully, with due respect and confidentiality to the participants and research subject. Being largely qualitative research in order to study the participants within their natural settings, the researcher will also need to control for any potential bias during the study and ensure reflexivity throughout the research process (Hennink, Hutter & Bailey, 2011).

### **Research Implications**

Although a substantial amount has been written on mobile marketing acceptance (Ismail and Razak, 2012), this research will add academic thought to the neglected area of branded app usage and retention through studying the complete process of branded app adoption and usage/non-usage in the context of brand engagement. By studying the relationship between a consumer's self-concept, their Smartphone and their apps, brands can gain a valuable insight into the emotional and rational behaviours Smartphone users exhibit when engaging with branded apps as a form of marketing communication.

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