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Understanding Mobile Phone Usage through a Value-Based Approach: Marketing Implications

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INTRODUCTION

For a decade, mobile phones have rapidly become necessities and an indispensable part of everyday life. In a world population of 7.6 billion, mobile phone subscribers number more than 6.9 billion, mirroring a penetration rate of almost 90% (www.mobithinking.com, 2014). Continuous improvements in device speed, efficiency, simplicity, and reliability have provided a fertile environment for the mobile phone market to flourish. New generations of mobile networking technology have accelerated the growth of the mobile phone industry. Second generation (2G) technology supported only text. Then third generation (3G) technology allowed mobile phones to support rich media such as video clips. The fourth generation (4G) and advanced 4G networks such as LTE subsequently and significantly increased the type and amount of content made or delivered through mobile phones.

Those ongoing improvements in mobile device and network service have increased the amount of mobile phone usage and time spent on mobile phone-related activities. A main reason for the rapid growth of mobile phone usage is that people can now access the mobile Internet and various types of mobile apps. By evolving into a smart medium, mobile phones have become multifunctional and multimedia devices allowing mobile phone users to easily obtain personalized content customized to their locations or situations. We recognize that various customers may use mobiles phones differently according to their different values. Therefore, in this chapter, we analyze the values mobile phone users ascribe to their usage to suggest directions for mobile marketing strategy.

OVERVIEW

Mobile phones were originally devised for communication purposes only. Now that mobile phones have become smart and able to support a wide variety of services, they are even more dramatically transforming our everyday lives. They allow people to chat, search for information, watch videos, hear music, play games, and even purchase products. In comparison with other media, mobile phones constitute a personalized medium for active rather than passive users to use purposively toward achieving various goals. Consequently, users will have subjective and complicated perceptions about the values they ascribe to using mobile phones.

Previous research on mobile phone use has frequently applied value-related theories such as the uses and gratification theory (U&G) and the technology acceptance model (TAM) to understand adoption and usage of mobile phones (Leung &Wei, 2000; Taylor & Harper, 2001; Choi, Hwang, & McMillan, 2008; Choi, Kim, & McMillan, 2009; Choi & Totten 2012). The U&G theory suggests that people are motivated to use

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mobile phones to gratify certain psychological needs, beliefs, or expectancies. TAM implies that actual mobile phone use depends on users' perceptions regarding usefulness and ease of use, which then influences their attitudes toward usage and their subsequent behavioral intentions.

Although those early viewpoints about perceived value are closely linked to user experiences, we still need to better understand how people view the use of mobile phones to satisfy their needs. In this study, we argue that value judgments are based on benefits. Our argument aligns with Pihlström and Brush (2008) who explained that users assess value according to whether mobile phones have allowed them to achieve their purposes compared with alternatives such as accessing the Internet through non-portable devices, fixed networks, or traditional media. In the following section, we explain the concept of the benefit-oriented value dimension in terms of user assessments of value, both context-related value and content-related value (Helkkula, Pihlström, & Kelleher, 2009).

- Pioneering Researchers Examining Mobile Marketing:
  - Dr. Louis Leung at Chinese University of Hong Kong and Dr. Wei at University of South Carolina (Leung & Wei, 2000).
  - Dr. Partick Barwise at London Business School (Barwise & Strong, 2002).
  - Dr. Sridhar Balasubramanian at University of North Carolina (Balasubramanian, Peterson, & Jarvenpaa, 2002).
  - Dr. Stuart J Barnes at Kent Business School, University of Kent (Barns & Scornavacca, 2004).
- Leading Researchers Examining Mobile Marketing:
  - Dr. Shintaro Okazaki at Universidad Autonoma de Madrid (Okazaki, Katsukura, & Nishiyama, 2007).
  - Dr. Astrid Dickinger at MODUL University of Vienna (Dickinger & Kleijnen, 2008).
  - Dr. Yung Kyun Choi at Dongguk University (Choi et al., 2008)
  - Dr. Venkatesh Shanker at Texas A&M University (Shanker & Balasubramanian, 2009).

CURRENT SCIENTIFIC KNOWLEDGE IN MOBILE PHONE USAGE AND VALUE PERCEPTION

Context-Related Value and Implications for Mobile Marketing

The term *context-related value* in relation to mobile phone usage captures users' perceptions of value dimensions regarding temporary conditional and epistemic value of mobile phone use. *Conditional value* is related to user interactions with the surrounding environment, for example through mobile network coverage (Pihlström& Brush, 2008). It indicates the changing temporal and spatial factors that affect user perceptions of value; that is, time and location may determine perceived value, depending on the situation or context in which the value assessment occurs (Holbrook, 1994). Mobile phones can allow users to find real-time information; they can interact with user interfaces mostly through mobile apps to watch or share entertainment content at any time or place. Thus the conditional value of mobile phone usage includes time, location, and accessibility.

Values are also related to time and accessibility. For example, immediate access to others anywhere and anytime is a unique value of mobile phone usage (Leung & Wei, 2000) and is especially essential if users need to be available to ill or aged family members. Such immediate access provides significant motivating value to mobile educational services (Kinshuk & Chen, 2005), mobile banking (Laukkanen & Kiviniemi, 2010), and mobile