Evaluating Mobile Application Development Firms: Comparing Views of Advertisers and Advertising Agencies

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ABSTRACT

The purpose of the present paper is to propose a decision model for both advertisers and advertising agencies to evaluate and select mobile application development firms. The researchers first refer to related literature and apply the Modified Delphi Method to postulate the most suitable selection criteria. Then, Analytic Hierarchy Process (AHP) is utilized to derive the relative weight and ranking of each decision criteria, which can be used for evaluating and selecting the most suitable mobile application development firm. Then a company, which serves as a case example, is selected for applying this model. The data analysis finds that when selecting mobile application development firms, both advertisers and advertising agencies hold mastery of mobile marketing skill as their top concern. Business marketing division also stress experience in mobile marketing operation, especially ability in innovative layout and execution. In contrast, advertising agencies are able to provide their clients with creative ideas and designs. Therefore, they do not care so much whether marketing application development firms have ability in innovative layout and execution. They are more concerned about ability in customer service, especially team communication and arbitration ability.

Keywords: Analytic Hierarchy Process, Business Marketing, Mobile Application, Mobile Marketing, Modified Delphi Method

1. INTRODUCTION

In response to consumers’ needs and keen market competition, mobile communication technology has undergone drastic development. The mobile phone has become one of the most popular electronic gadgets over the past thirty years. Indeed, it has become a “must” in our daily lives (ITU, 2013). No doubt, the emergence of iPhone and Android changes not only the market structure of mobile phones but also the way people use mobile phones. New

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smart mobile phones enable users to connect to the Web and download a variety of APPs designed for different purposes and functions. These provide audio-visual entertainment, community media and instantaneous activities, through which users can obtain many and varied experiences. This phenomenon has led to the mobile phone becoming an indispensable part of consumers’ daily lives. With these developments, consumers’ daily behaviors are changed to a large extent.

The development of smart mobile phones has led to new applications for mobile marketing. The popularity of smart mobile phones has also led to the emergence of multiple application services. Smart phones, with their high infiltration rate, instantaneousness, personification and interactivity of installations, enable consumers to utilize information and services on any occasion. Smartphone installations have become the most direct and precise media to target low-end consumers. This helps marketing personnel contact potential clients with more accuracy. Marketing personnel, therefore, need to take this new marketing channel into serious consideration. Smart mobile phones have exerted tremendous influence on the field of marketing.

Businesses have recognized the particularity and importance of mobile marketing. The accountancy of mobile marketing may not be obvious, but businesses still pour a lot of investment into mobile media. However, with its high-tech features, mobile marketing has resulted in huge pressure on marketing personnel and advertising agents. General marketing personnel are unable to work alone, not to mention to design APPs for marketing. They must seek assistance from mobile application development firms. In view of this, many agents start to involve themselves in planning for mobile marketing, activity implementation, and APP design and development. Understanding the key abilities which mobile application development firms must possess is required in order to objectively select the most suitable of these firms to obtain the optimal marketing effect. All of these constitute major issues for marketing personnel.

Selecting a mobile application development firm is a problem involving multi-criteria decision making. It is through appropriate evaluation criteria and screening that a business marketing division or an advertisement marketing agent can select the most suitable mobile application development firm. The selected firm can then be authorized to conduct the operation planning and design development of mobile marketing application programs. Over the past few years, related research on mobile marketing has focused on industry development, advertisement effects or technological aspects of mobile marketing. The research in the present paper can hopefully serve as a reference for future related research or for business’ organizational decisions.

This paper first adopts Modified Delphi Method. Then, the opinions suggested by experts in the field are gathered to help find the proper decision criteria. After that, the researchers use Analytic Hierarchy Process (AHP) to decide the relative weights of decision criteria. After ranking, the most suitable firm can be selected. As AHP takes both qualitative and quantitative principles into consideration, it meets the needs of this research. Finally, the researchers conduct a case study based on a company which uses this model to evaluate and select a mobile application development firm. It is our hope that the decision model developed herein can provide an objective quantitative and systematic method for businesses to evaluate and select the most suitable mobile application development firm.

2. RESEARCH METHOD

The two-fold research method includes Modified Delphi Method and AHP.

2.1. Modified Delphi Method

Delphi Method, proposed by Rand Corporation in 1950, aims to solve problems which cannot be quantified or predicted because of data insufficiency or uncertainty. As a structural group communication process, Delphi Method is
Case Study: Glastender, Inc.
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