ABSTRACT

Mobile applications (apps) have transformed the way firms and consumers communicate with each other, and have now become integral to firms’ marketing strategies. However, in a marketplace characterized by myriad choices, one of the biggest challenges that marketers face is to foster continued and frequent use, or stickiness. This brings forth two important questions: what factors affect consumers’ decision to use and “stick” to apps? What are the key outcomes of stickiness for both consumers and firms? This study maps the conceptual and research issues underlying consumers’ decision journey and outcomes with respect to mobile app use. The authors build a framework based on the central tenets of interactivity combined with the insights gleaned from a survey of interdisciplinary literature. They discuss the implications for research and practice in this emerging area of interest.

Keywords: Ecommerce, Interactivity, Loyalty, Mobile Apps, Smartphones, Stickiness, Usability

1. INTRODUCTION

The days of desktop dominance are waning for many common and every-day computing tasks (Husson et al., 2013); mobile devices and computing now dominate the digital landscape with 60% (and rising) of online activity now originating from mobile phones and tablets (Wise et al., 2013b). The fuel that drives this explosive growth in mobile platforms is primarily app usage, and the ability for these apps to make extensive use of a plethora of mobile device capabilities, accounting for more than 52% of digital traffic (comScore Report, 2014). Consequently, marketers now believe that apps (and mobile experiences in general) are an integral part of their marketing and consumer...
engagement strategies, as well as key drivers of revenue (Schadler and McCarthy, 2013).

Contemporary literature highlights the need for mobile engagement: according to Schadler & McCarthy (2013, p.1) “Building and delivering great mobile experiences will be the beating heart of your customer engagement strategy for the next 10 years.” Yet, academic research has not caught up with this trend. One of the issues of concern to marketers is app consumer retention and stickiness (Zott et al., 2000). It is commonly accepted in the literature that stickiness leads to long-term loyalty, positive word-of-mouth, and greater revenues (Reichheld and Schefter, 2000, Srinivasan et al., 2002). However, in the mobile world, data shows that building a relationship with consumers is hard, retention is a challenge, and the time available to achieve both is minuscule. Indeed, Nielsen’s (2011) study suggests that only 36% of all downloaded apps are used frequently by consumers and 62% of the consumers typically delete apps within two weeks of download. On the whole, user retention and stickiness is considered one of the most desirable, albeit the most challenging, tasks to achieve in the market (Husson et al., 2013).

It is worth considering how the very nature of mobile platforms and apps fits existing models and understanding of stickiness. Consumers can engage with mobiles at any moment and in any context. Furthermore, most apps work in conjunction with “always connected” data access and information gathered from the mobile sensors to create a pervasive and ubiquitous usage experience that is driven by the consumers’ location, context, and discretion. Apps must occupy a niche, offer novelty, or fit a common need in a manner that becomes synonymous with that function. In this study, we adopt the generally accepted view that stickiness and website loyalty are similar constructs, however it is worth noting that some prior studies (e.g. Oliver, 1999) have considered website stickiness to be a sub-dimension of loyalty. Hence, we draw insights from the literature on loyalty, e-loyalty and stickiness in order to explore mobile application stickiness.

1.1. Study Goals

The objective of this study is to identify several salient and emerging topics that demand research attention, and provide a framework, based on interactivity and mobile stickiness, to guide the investigation of these topics. To this end, we use elements of interactivity and telepresence theories (Rafaeli, 1988, Steuer, 1992) to organize the research issues surrounding consumers’ adoption, use and stickiness to mobile apps. We accomplish the objectives in three steps: 1) Based on both primary and secondary data, we map the key elements of the consumer decision process with respect to mobile app usage, 2) We identify key factors which affect consumers’ initial and long-term stickiness to mobile apps and resultant outcomes for consumers and marketers, and 3) We identify key research issues and areas of critical inquiry in this emerging area of interest based on an extensive review of mobile commerce and e-commerce literature.

This study is organized as follows: First, we explore the differences between the mobile environment and the desktop environment (apps vs. desktop websites), and how they matter in terms of understanding consumer behavior. We then frame our study with an introduction to the theory base. Subsequently, we present a process framework that captures the key facets of consumer behavior with respect to mobile app download/purchase and usage. We then survey inter-disciplinary literature with the goal of illuminating key research themes.

2. MEDIA CHARACTERISTICS: DIFFERENCES BETWEEN MOBILE APPS AND DESKTOP WEBSITES

Apps are software applications that run on a smartphone, tablet or other mobile devices¹, and can exploit functionalities unique to mobile environment when compared to the desktop environments. We first explicate these key differences that are germane to the context of
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