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Customer Adaptation of Mobile Service Innovations (MSI): A Quantitative Analysis among Customers of a Swiss Retail Store Chain

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Abstract

Based on recent findings from a Juniper report nearly 1.5 billion mobile users will receive SMS ads in 2008 [1]. While mobile advertising spending is expected to increase to \$5 billion by 2011 [2], mobile marketing can be still considered in its infancy. While over the last years, there has been tremendous progress in the area of web-based services delivered on the Internet [3] [4] [5] [6], less attention has been paid to the customer acceptance of mobile service innovations. Based on a literature review the authors pursue the objective to analyze the requirements for customers to adopt different types of mobile service innovations: (i) payments to be made via SMS (Short Message Service), (ii) coupons delivered via MMS (Multimedia Messaging Service), and (iii) SMS notifications for goods to be picked up. The authors develop a theoretical model which describes a consumer's intention of MSI adoption as a construct that is determined by three variables: perceived usefulness, perceived ease of use and perceived risk. The relationships in the model are moderated by several factors: age, gender, technology-readiness of the customer and newness of the technology. The authors then conducted a quantitative study among customers of a Swiss retail store chain (n = 1,092). A structural equation model was formulated and tested for the different MSIs. The paper presents results and discusses managerial implications as well as limitations and future research opportunities.

Keywords: Mobile services, innovation, retailing, short message service, SMS

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