MOBILE DIGITAL CONNECTEDNESS: CONCEPTUALIZATION, MEASUREMENT AND APPLICATION

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Abstract

Ubiquitous firm-customer digital connectedness for effective sensing and responding – agility, are a strategic imperative for firms in volatile environments (Roberts and Grover 2012). With the advent of smart mobile devices and associated apps, firms have gained a heightened ‘digital connectedness’ with their customers further strengthening firm’s agility. For example, contemporary retailers such as Tesco, Woolworths and Coles, connect with their customers through smart mobile apps, for 24x7 sensing-and-responding. As literature suggest (Sambamurthy et al. 2003) ubiquitous technologies presents an unparalleled level of digital connectedness between firms and customers. Nazir and Pinsonneault (2012) demonstrated that employment of digital technologies to connect with external environment provides unfettered information access for decision makers thus complement agility. Similarly, many others have discussed the link between digital technologies, enhanced localized firm dynamics and better agility towards customers (e.g. Setia et al. 2013).

As such, clear conceptualization of digital connectedness is essential at this juncture in time as the new generation of consumers are innately techno-savvy and they let ubiquitous technologies to weave themselves into their very fabric of everyday life (Vodanovich et al. 2010) thus mimicking of daily routines allows organizations to sense customer needs better. Also, when contemporary firms are deploying digital technologies such as smart-apps to connect with techno-savvy consumers, the customers are well aware that firms are sensing their unique requirements from such digital engagements (Gao et al. 2010). Hence, in return customers expect better, personalized, unique responsiveness for their requirements from firms. Thus, conceptualizing digital connectedness is warranted for a better understanding the dynamics and implications associated with ubiquitous firm-customer digital connectedness.

As such, we conceptualized and operationalized the digital mobile connectedness to empirically test the implications of ubiquitous digital connectivity. Customer focussed smart-mobile shopping app in consumer retail provided the context for us to empirically investigate its implications on customer expectations, experiences and satisfaction. Based on survey data collected from 431 customers in a field study, we tested hypothesis pertaining to the firm-customer mobile digital connectedness and (i) customer expectations, (ii) customer experience, and (iii) customer satisfaction. Employment of polynomial regression together with response surface methodology with non-linear postulations has revealed number of implications of mobile digital connectedness for both theory and practice.

Our findings highlight the need to revisit the notions of digital connectedness and its business implications in contemporary business environment. First, our analysis of the relationship between firm-customer digital connectedness and customer expectations reveals that non-linear assumption demonstrates an upward curvilinear relationship, where level of expectation peaking as digital connectedness reaches moderate levels and then lowering of customer expectations as firm-customer digital connectedness increases beyond midrange. Further, our linear assumption has shown a positive relationship between the degree of digital connectedness to the customer experiences and customer satisfaction, whilst non-linear postulation indicated that when firm-customer connectedness reached higher levels customer satisfaction increases exponentially. Our test of mediating using several regression analysis (Baron and Kenny 1986), Sobel’s (1982) product of coefficients method and polynomial response surfaces, all affirms that customer experiences and customer expectations...
mediates the relationship between firm-customer digital connectedness and customer satisfaction. Both Sobel’s test and response surfaces explained that the mediation of customer experience on the relationship between customer expectations and customer satisfaction as a complete mediation and the customer expectations in the relationship between the degree of firm-customer digital connectedness and customer satisfaction as partial mediation.

Keywords: Digital connectedness, Customer expectations, Smart mobile apps, Polynomial regression, Response surface methodology

References


