CROSS-SELLING THROUGH MOBILE APPLICATIONS AT AIRPORTS

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Introduction

This paper is the first research that examines the impact of mobile marketing in airports. Smelling multiple products and services to the same client before, during, and post consumption is a marketing technique that intends to (1) satisfy a client's need and (2) increase a company's profit by using cross-selling and other complementary services. Airline companies are experts in carrying out this activity, and airports have found that mobile applications are the perfect tool to increase their commercial profits. Offering complementary products and services is a very lucrative business, and a mobile device or smartphone are -- and will become -- the ideal medium to meet users' demands as well as to improve the passenger experience. According to Ström, Vendel and Bredican (2014) mobile marketing implementation may be a tactical decision, adding another media to improve single media effectiveness.

Big airports, together with all the business surrounding this micro-environment, are adjusting their business model to an electronic commerce one with the aim of making mobile devices their new selling-promotional channel. With this new approach, they intend to not only keep passengers well-informed of the offers available to them, but also to optimize the products and services that are sold to them. By seeing Apps as a sales channel, airports can make the most of the speed and simplicity offered by mobile transactions, and they can transform their customers' impulsiveness into sales. Furthermore, the product or service chosen to be sold is equally important as the channel chosen to do so. Thus, airports and airline companies have found an invaluable ally in smartphones, i.e., mobile marketing will become the Swiss-Knife multi-tool that will facilitate selling offered and complementary products that will satisfy the passenger. It is worth highlighting that what is important about mobile applications (hereinafter app) is not that they can geolocalise users or clients, on the contrary, its true essence in the tourism and airport sector is in personalizing both the needs and experience of passengers by offering through micro-segmentation products at the right time. The competitiveness among big airports or "Hubs" has force airport managers to improve on passenger satisfaction and to revamp the image of these infrastructures. Thus, those who carry out a well-planned study of cross-selling marketing strategies will not only be able to differentiate themselves from competitors, but they will also have a competitive advantage. Moreover, it is essential for airports to generate commercial income and to receive returns on their investments, especially in a place where the level of passenger satisfaction plays a central role in the process of increasing profits via cross-selling.

Finally, one has to point out that the key to cross-selling is to know the needs of one customers and to satisfy them according to their expectations. Hence, cross-selling techniques are applicable to all business sizes, i.e., from big multinational companies to small and medium size businesses. In fact, cross-selling is currently having a lot of approval in concentrated sectors or well-established tourists destinations given that the application of these marketing strategies offer great opportunities to offers and demanders, aside from strengthening the relationship between business-client.

Hypotheses

H1. The use of apps as sales channels provide more information about the products and services.
H2. The security and control which a mobile marketing tool provides to passengers at the airport favours the increase of cross-selling.
H3. *The perception that an airport has a good commercial image will positively impact cross-selling.*
H4. *Cross-selling through apps increases passengers' satisfaction levels.*
H5. Mobile marketing as a cross-selling channel impacts either positively or negatively WOM.

Methodology

For this analysis, a survey was conducted to users that use the Schiphol Amsterdam Airport app. A total of 103 questionnaires were analyzed using structural equation modeling. (The surveys were distributed to Dutch tourists in Málaga that were staying at hotels in the Costa del Sol).

To reach the objectives established in this research, we have applied the structural equation models to contrast the established model, which was analyzed using the Partial Least Squares (PLS) version 2.0 Smart-M3 model. Its 22.0 version was also used in the analysis of SPSS multicollinearity, which has enabled us to reach different conclusions from the initial objectives of this research. The analysis of the structural equation models (SEM) was technique used in this research project to validate the established hypotheses. The aforementioned methodology was the most appropriate when working with models that include complex, abstract and non-observable variables. Moreover, it is also useful for models that involve several causal relationships between one or more independent variables and one or more dependent variables (Rodríguez-Pinto, Rodríguez- Escudero and Gutiérrez-Cillán, 2008).

Results

In this research study concerning the Path Diagrama relationships are shown in the following paragraphs:

Hypothesis 1 is then rejected due to the fact that there was not a significant relationship between the use of apps as sales channels and obtaining more information about products and services. The results showed that the security/control that the tool of mobile marketing provided to passengers had a significant and positive impact in cross-selling, we thus accept the validity of H2. On this matter, the results obtained are in line with the literature reviewed in this study. A commercial image has a positive impact on cross-selling. Furthermore, the results obtained for H3 are also confirmed given that there was a significant relationship between both of the constructs. Thus, this confirms the relationship we had mentally deduced and quantitatively discussed.

In contrast, cross-selling on the mobile app was not linked to an increase in passengers' levels of satisfaction, which was proven by satisfaction the path coefficient obtained in hypothesis 4; it was positive but not significant at all. H4 is then rejected. Finally, in H5 the mobile marketing tool was considered to be a sales channel, and the path coefficient on the effect of WOM experienced a very high exponential and impact level, H5 is then accepted.

Conclusions

This study found that security/control factor supplied by the mobile marketing tool to passengers at the airport, it has been demonstrated that it favours an increase in cross-selling. In addition, if an airport is perceived to have a good brand image, it will have a positive effect in cross-selling.

Contrary to our expectations, apps which are used as cross-selling channels do not increase passengers' level of satisfaction. The results obtained do not show that to the apps, cross-selling impacts the levels of satisfaction. On the contrary, it supports other lines of research such as the one proposed by authors like Florido-Benítez, del Alcázar and González (2014) who explore one of the main disadvantages of mobile marketing, which undoubtedly affects global satisfaction: the initial distrust felt by some customers, acting as a barrier to online sales.

The present study shows the mobile marketing as a cross-selling channel, it impacts the WOM either in a positive or negative way. The results on this matter showed that there was a correlation between apps as sales channel and cross-selling, and that it significantly impacted either positively or negatively the e-WOM comments. Moreover, a certain complementarity was observed between the two constructs based on passengers´ positive or negative experience and their evaluation of the products or services purchased, all of which determined the comment that were written about the app in user reviews or in the comment section of the website. Some studies have shown how e-WOM has become the most reliable information source for Internet users. Furthermore, some comments can have a considerable impact on the behaviour of many future customers (Libai, Bolton, Búgel, Getz, Risselada and Stephen, 2010).

Finally, we propose that if an airport is perceived to have a good brand image, it will have a positive effect in cross-selling. We should not forget that the perception one obtains from mobile devices and from a company's brand image is vital to a client´s perception since it impacts how he or she perceives value in the rest of the products and services offered. If their perception is positive, customers will probably recommend the app to their closest friends, and will become our allies. On the contrary, they will probably increase the negative WOM and will become our enemies.

The results obtained validate the relationship between the two constructs, which are usually complementary. A good image has a positive impact in sales, and these results reaffirm our literature review concerning the two variables. We must point out that the consequences resulting from the connection of these two constructs show the existence of an affective and emotional empirical interrelation in the mental processes carried out by individuals when they purchase a product or service. Airports consider this tool the ideal medium to transfer the boarding processes and the sale of products and services, thus increasing their commercial revenues.

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