

Presenting a model of influencing factors on proximity marketing in electronic businesses

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Abstract

The current research was conducted with the aim of designing a proximity marketing model in electronic businesses. The research is applicable in terms of purpose, and qualitative in terms of execution method, and is based on the data-based method. The statistical population was banking experts and university professors in the field of marketing in Kermanshah province as many as 17 people, who were investigated by a non-probability purposeful sampling method using the snowball method, until reaching the theoretical saturation stage and in a semi-structured in-depth individual interview. MAXQDA 2018 software was used for data coding. The findings showed that the obtained categories were classified under the title of 27 categories in 6 main categories, which identified factors include: causal conditions (changes in the financial and economic system, advertising and digital marketing, communication with customers, initiative technology, user experience, information security), contextual factors (competitors and market conditions, human resources, local technology, culture and laws and regulations), intervening factors (restriction of internet access, technology updating, sanctions, services and support, technical factors). Strategic factor (collaboration with startups and technologists, interaction with customers in cyber space, security improvement, development of user experience, use of artificial intelligence and data analysis), and consequences (technological progress, increase in sales and income, increase in the use of electronic services, increase in satisfaction of customers and customer trust). The results showed that banks can use social networks to promote their financial and marketing goals by encouraging customers to share bank content.

Keywords:

Proximity marketing,
Electronic business,
Data-based

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Extended Abstract

Introduction

Marketing approach is as introduction and identification of product and service production on the one hand and customer satisfaction on the other hand as a result of improving product and service quality level. Proximity marketing is a new form of marketing that has emerged recently (Levesque & Boeck, 2022). This technology is based on wireless positioning using RFID (radio frequency identification) and Bluetooth to meet people's daily needs. Proximity marketing increases real-time interactions as well as social activities for marketing (Michael & Michael, 2020). Proximity marketing actually introduces a program that allows you to have a truly innovative shopping experience using your smartphone and enables companies to open a new direct and personal communication channel with their customers (Mansoor et al., 2018).). The choice of location is very important in this style of marketing. Among the places where the use of proximity marketing and geomarketing can be useful are exhibitions, conferences and places where a large number of people have gathered for a specific purpose (Levesque & Boeck, 2017). Proximity marketing is one of the new approaches in marketing that tries to increase interaction and more effective communication with customers by using new technologies and data analysis. Considering the increase in competition in the banking industry and the need to improve communication with customers, Kermanshah banks also need to use new marketing approaches. Proximity marketing using location-based technologies and customer data can be an effective tool for attracting and retaining customers. But designing a suitable model for this type of marketing requires a detailed and scientific investigation, which this research deals with. Paying attention to new marketing methods is very important for the progress of businesses in today's era, so the current research aims to answer this question: what model was envisioned for the factors affecting proximity marketing in electronic business?

Theoretical literature

Proximity marketing

Understanding proximity marketing depends on the correct understanding of proximity technology. With the emergence of new technologies, companies and business owners are also moving towards commercial use of the opportunities provided by technology. Internet of Things technology is one of the manifestations of technology that is used a lot.

Modern proximity marketing has grown a lot with the development of proximity technology: however, this concept has a relatively long history. For decades, local and in-store advertising has created an obstacle in communicating with customers at important moments. TV ads may also look attractive, but they rarely fit the company and current business conditions. Proximity marketing means identifying the location of a user or customer in order to communicate with them in a targeted manner. The place where a person is located is very important. This technology means that businesses can choose when to send what message and to whom in order to get the best results and achieve customer satisfaction (Salis et al., 2019). Proximity marketing means knowing where your customers are and communicating with them in useful ways. Without proximity technology, marketing actions are carried out without knowing the right situation and moment. For example, your company owns a shopping center and you have planned special autumn discounts for customers. You have advertised, customers come to the mall and receive a welcome SMS. If the customer is looking at autumn products, he should be shown ads that match his interests. This is the difference between vague and pervasive advertising and smart proximity marketing (Gajanova et al., 2019).

Marketing agencies waited until 1990 to implement systems based on customer geographic data (Gallopel & Cliquet, 2020). As a continuation of the use of geographic localization,

proximity marketing soon emerged as a new form of marketing. We define proximity marketing as the wireless and local distribution of promotional content relevant to a specific location. This includes geographical identification of consumers using technologies such as wireless devices, GPS, radio frequencies, Wi-Fi, Bluetooth low energy and near field communications. Proximity marketing means that companies should send their advertising content to targeted geographic locations where potential customers have been identified. Since this is a fairly new field that, to our knowledge, has not received extensive academic reflection, we believe it is interesting to focus on this emerging marketing. We have listed three major advantages of using proximity marketing for customers. First, the real-time aspect (Sill et al., 2018). As a result, proximity marketing provides instant access to interesting information about brands of interest. Second, added relevant and valuable content for the consumer. In fact, if the customer receives information about the brands he likes or even advertisements, coupons and discounts, the content represents the information according to his taste. Third, the personalization of a global offer, which are available through information obtained through loyalty programs (Tcuentofr, 2015) or other processes. In addition, proximity marketing naturally integrates the customer relationship management approach by combining direct customer relationship, geomatics and logistics (Cova et al., 2023).

Research methodology

The research is applicable in terms of the purpose: and qualitative based on the inductive approach in terms of the implementation method. Its strategy is based on data-based theory. At the heart of this method, a systematic approach was used to achieve a paradigm model. The statistical population of this research included experts in the banks of Kermanshah, marketers in this field, experts and university professors specializing in the field of marketing, and branch heads. The sampling method was non-probability targeted and snowball sampling. To collect data, semi-structured interviews were conducted with 17 experts, and theoretical saturation was achieved from the fourteenth interview onwards. Data analysis was done based on a systematic approach, which includes three stages of open, central and selective coding using MAXQDA 2018 software.

Research findings

In this research, semi-structured interviews were conducted with 17 experts and entrepreneurs in the field of crafts, as well as with university professors. Descriptive findings showed that among the 17 people who answered the interview questions, 4 were women and 13 were men; age of whom between 41 and 58 years; Bachelor's to Doctorate education; work experience between 15 and 30 years.

Based on this, 17 interviews were analyzed. In the open coding phase, after reviewing the data and merging similar concepts, these primary codes were reduced to 125 secondary codes. In the second stage of axial coding, secondary codes were classified based on their relationship with similar subjects and placed in 27 sub-categories (components). In the last stage of open coding, the components or subcategories obtained in advance were placed in more abstract classes or categories based on similarities, conceptual relationships, and common characteristics between open codes and concepts. In the central coding stage, the components obtained from the open coding stage were linked together in the form of causal conditions, central phenomenon, contextual factors, intervening factors, strategies and consequences in the form of a paradigm model.

Discussion and conclusion

The present study was conducted with the aim of providing a model of factors affecting proximity marketing in electronic business in the banks of Kermanshah. In explaining these findings, it can be said that the changes in the financial and economic system have had many effects on the proximity marketing of banks. These changes may include changes in interest rates, macroeconomic conditions, and developments in financial technology. In the context of lower interest rates, banks may market more competitively to attract customers. For banks, proximity marketing can lead to increased sales and revenue. One of the effective solutions in this field is the use of artificial intelligence and data analysis to identify customer behavior patterns. Also, active interaction with customers in the vicinity and using content marketing tools can lead to improving customer awareness and encouraging them to use banking services. Finally, based on the obtained results, it can be suggested that the bank can develop a special application for proximity marketing that takes advantage of GPS technology and provides customers with services and offers specific to their current location.