

“Attitudes Of Young Consumers Towards Sms Advertising”

Dr. Yogesh Wasudeo Bhowte,

HOD & Associate Professor, Sinhgad Academy of Engineering, Department of Business Management,
Kondwa (BK) Pune. ybhowte@gmail.com, Mobile No : 9096368866

ABSTRACT:

Advertisers have to be more creative in the formulation of advertisements and selection of advertising mediums so as to gain the attention of their target market. The need to create new mediums for advertising has led to the creation of new-age media such as inter alia, short message service (SMS) advertising. Before this medium can be effectively used to reach South African consumers, the attitude of consumers towards SMS advertisements need to be determined. This study therefore focuses on determining the perceptions of the younger consumer segment towards SMS advertisements. It is expected that this segment, due to their changing consumer behaviour and media habits, will be the future focus of a great deal of SMS advertising campaigns. Quota sampling was done in a large university and self-administered questionnaires were completed by 198 respondents.

It was found that consumers' perceptions of the entertainment value, informativeness and credibility of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertisements. The study further found consumers' perceptions of the irritation aspect of SMS advertisements is negatively correlated with consumers' attitudes towards SMS advertisements. Consumers have generally negative overall attitudes towards SMS advertisements and it must be cautiously used when attempting to gain the attention of a younger segment of consumers. Permission-based marketing, the sending of SMS advertisements to only those who have agreed to receive promotional information, is an important element for the success of SMS advertising.

Key words: SMS, advertisement, consumer, organization.

Introduction:

Organizations today operate in an environment that is characterized by constant change and an increase in competition as a result of globalization. Zyman and Brott (2002:31) suggest that the biggest change in the market place is that consumers have a greater selection with regards to products and services and those organizations should become more conscious of their advertising efforts. Organizations now view advertising as an investment and tend to value over-communication with consumers, resulting in greater budgets for advertising departments than in the past. Technological advancements have provided various new mediums for advertising to consumers and have further allowed for organizations to better reach consumers with regards to the frequency and impact of advertising. These advances in technology, combined with the market place's need to increase advertising to consumers, has led to the fact that "Advertising is everywhere". The constant exposure to advertising might cause consumers to become immune to advertising. Advertisers have to be more creative in the formulation of advertisements and selection of advertising mediums so as to gain the attention of their target market. This need to create new mediums for advertising has led to the creation of new-age media such as: the internet, which includes electronic-mail (e-mail) and websites; wireless application protocol (WAP); voice-over internet protocol (VoIP) and cellular technology and short message service (SMS). WAP is a wireless system that allows users to access the internet using their cell phones. VoIP involves the sending of voice messages over the internet.

Literature Review

SMS advertising

When defining SMS advertising, it is first necessary to analyze the definition of mobile marketing as this definition may in part apply to the definition of SMS advertising. Dickinger et al. (2004:2) define mobile marketing as "Using interactive wireless media to provide customers with time and location sensitive, personalized information that promotes goods, services and ideas, thereby generating value for all stakeholders." Mobile marketing is based upon sending information to consumers using either SMS or MMS (Multimedia Message Service). It can therefore be assumed that mobile marketing involves some degree of SMS advertising with the latter being a component of mobile marketing. For the purpose of this study, SMS advertising will be defined as "Using short message service (SMS), sent to consumers' cell phones, to provide consumers with time and location sensitive information that promotes goods, services and ideas, thereby generating value for all stakeholders".

Studies have highlighted a vast number of advantages of SMS advertising and includes that this medium allows for real-time communication with consumers anytime and anywhere (Tsang et al., 2004: 68). SMS advertising also increases the probability that the advertisement reaches the target market as consumers generally have only one cell phone which is very personal in nature and carried around with them at all times.

SMS advertising is the only channel relevant for recipients when on the move and is a great benefit for targeting young consumers who often have active lifestyles and are not exposed to the more traditional advertising channels. The younger generation of consumers has also been quicker than older generations in learning to use and adapt to new technologies such as the internet and cell phones.

Another benefit of SMS advertising is that, if effectively planned, an SMS advertising campaign is low in cost. The low cost of SMS advertising is amplified by the ability of this medium to target and provide specific customers with relevant information and obtain a high response rate among recipients of the message and reduce wastage

Consumer attitudes

This study focuses on determining consumer attitudes towards SMS advertisements and it is surmised that the attitudes towards SMS advertisements will affect both the success of SMS advertising campaigns and the purchase intentions of consumers who receive SMS advertisements. It was illustrated by Andersson and Nilsson (2000: 18) that SMS advertisements and the SMS advertising medium, in general, will affect the attainment of the advertising campaign objectives. Consumer attitudes consist of three components that is cognition, affect and conation according to Du Plessis and Rousseau (2007: 194-197). For the purposes of this study the first component is applicable.

Hypotheses:

Entertainment

H₁: Consumers' perceptions of the value of entertainment of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertising.

In formativeness

H₂: Consumers' perceptions of the in formativeness of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertisements.

Methodology:

Sample

The target population for the study consisted of full-time registered undergraduate students at a large university in Gauteng. As the study made use of quota sampling, the above mentioned target population was subdivided into an equal proportion of male and female students. The realized sample was 200 students who own a cell phone and have in the past received an SMS advertisement from an organization advertising a product or service.

The use of a student sample is often criticized by researchers who believe that such a sample is not representative of the greater market of general consumers. The use of a student sample for this study is justified as experts agree that SMS advertising is an ideal medium for reaching younger consumers.

With the use of quota sampling, the researcher selected respondents outside of the lecture halls provided they met the quota criteria and requirements as stated for the target population of the study.

Measuring instrument

A pre-tested self-administered questionnaire was used. The entertainment, in formativeness and irritation scales used in the study were adapted from ducoffe's (1996: 28) study of consumer attitudes towards advertising on the World Wide Web. The credibility scale was adapted from the scale developed by brackett and carr (2001: 25) in the study of consumer attitudes towards web advertising. For the purpose of this study the wording of scale items was slightly adapted to be more in line with consumer attitudes towards sms advertising. A five-point likert-type scale, labelled from (1-strongly disagree) to (5-strongly agree) was used and no items were reverse scored.

Table 1. Cronbach's alpha values for the constructs.

Construct	Cronbach's alpha
Entertainment	0.91
Informativeness	0.84
Irritation	0.81
Credibility	0.78

Table 2. Number of SMS messages sent and received by respondents

Number of SMS messages	Sent (%)	Received (%)
Between 1 and 5	37.9	35.9
Between 6 and 10	25.8	31.3
Between 11 and 15	18.1	16.7
More than 15	18.2	16.1
TOTAL (198 respondents)	100	100

Table 3. Results of spearman's rank order correlation – hypothesis 1.

		Entertainment value	
Spearman's rho	Overall Attitude	Correlation Coefficient	.671(**)
		Sig. (1-tailed)	.000
		N	200

Table 4. Results of spearman's rank order correlation – hypothesis 2.

		Irritation	
Spearman's rho	Overall Attitude	Correlation Coefficient	-.547(**)
		Sig. (1-tailed)	.000
		N	200

Results

Reliability

The Cronbach's alpha values for the constructs are summarized in Table 1. As can be seen in Table 1 all the Cronbach's Alpha values are higher than the acceptable level of internal consistency (.70). In Table 2 the number of SMS messages sent and received by the respondents is illustrated (per day). The findings in Table 2 suggest that the respondents are involved to a great extent with the SMS communication function of their cell phones and are experienced with the usage of cell phones and, more specifically, the SMS function. The findings imply that respondents, through their high level of involvement with their cell phones, depend on cell phones as a means of communicating with friends, family and possibly advertisers.

Hypotheses Tests:

The first hypothesis (H_1) investigated whether or not there is a positive correlation between consumers' perceptions of the entertainment value of SMS advertisements and consumers' overall attitudes towards SMS advertisements.

Hypothesis 1 was tested using the non-parametric test, Spearman's Rank Order correlation at a 95 percent level of confidence. Table 3 indicates the result of the hypothesis test.

The resulting p-value ($p < 0.001$) is less than 0.05 and therefore the hypothesis can be accepted. There is therefore a positive correlation between consumers'

Hypotheses tests:

The assumption of normality was assessed through the Kolmogorov-Smirnov test. Tests for normality were also assessed through a visual examination of histograms and Hypothesis 3 is concerned with testing whether or not there is a positive correlation between consumers' perceptions of the irritation of SMS advertisements and consumers' overall attitudes towards SMS advertisements. Spearman's Rank Order Correlation was used to test the hypothesis and the results are displayed in Table 5.

The p-value ($p < 0.001$) is significant at the 0,05 level and the alternative hypothesis can be accepted. The coefficient of determination ($r^2 = 0.2992$) implies that nearly 30% of the variance in consumers' attitudes towards SMS advertisements can be explained by the variation in consumers' perceptions of the irritation of SMS advertisements. Hypothesis 4 is concerned with testing whether or not there is a positive correlation between consumers' perceptions of the credibility of SMS advertisements and consumers' overall attitudes towards SMS advertisements. Table 6 shows the results of the Spearman's Rank Order Correlation which was used to test the hypothesis.

The p-value ($p < 0.001$) calculated for the test is significant at a 95% level of confidence ($p < 0.05$). The hypothesis can therefore be accepted. The coefficient of determination ($r^2 = 0.2034$) implies that, although there is a positive correlation between consumers' perception of the credibility of SMS advertisements and consumers' overall attitudes towards SMS advertisements, the strength between the two constructs is very weak .

The results of the hypotheses tests indicated that consumers' perceptions of the entertainment value, in formativeness and credibility of SMS advertisements are positively correlated with the consumer attitudes towards SMS advertisements. This is consistent with the findings of Tsang et al. (2004: 71) in their study of consumer attitudes towards SMS advertisements. A major finding is that consumers have fairly negative attitudes towards SMS advertisements.

Limitations

The study is limited by the fact that a relatively small sample of participants ($n=200$) were selected using non-probability sampling. This limitation makes it difficult to generalise and apply the findings of this study to the entire

population of young South Africans (Cooper and)

Conclusion

1. Marketers need to understand the target audience for SMS advertising campaign and send messages to consumers whereby the language and content of the SMS advertisement is in unison with the target audience's profile and expectations.
2. Although consumers have neutral perceptions of the informativeness of SMS advertisements, consumers disagreed that SMS advertisements supplied relevant information. \
3. Marketers need to further ensure that they send only relevant information to targeted consumers.
4. Consumers value SMS advertisements that are short, straight to the point and concern information that is relevant to their interests.
5. Marketers can also create cryptic messages that stimulate the curiosity of those who receive the SMS advertisement.

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