

# Consumers' Attitude towards Permission Based Mobile Advertising

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## ABSTRACT

The paper through a scan of literature highlights two key research issues related to mobile advertising: Permission and Attitude towards mobile advertising. Based on the review, three propositions are developed. It was found that the existing research on mobile advertising uses scales or instruments proposed in existing literature which are not specific to mobile advertising constructs. This study therefore attempts to explore the antecedents of the consumers' attitude towards mobile advertising. For this purpose, a pilot study was conducted. To conclude, the paper advances the need to develop new scales and application of ingenious methods for measuring and operationalizing constructs related to mobile advertising.

**Key Words:** Mobile advertising, Permission, Consumer attitudes, Acceptance and success factors.

### 1. Introduction

The number of mobile phone users in India is increasing every day and so is the reach of mobile communication. The number of mobile phone users in India was expected to cross about 250 million in the beginning of year 2008 (Mathew & Dambal, 2010), and in 2012, the number of wireless subscribers was 911.17 million (Telecom sector in India: A decadal profile, Telecom regulatory authority of India, April, 2013). The rapid growth of mobile device users provides a great opportunity to the advertisers to communicate commercial information to consumers through mobile phones/devices. Thus, mobile phones/devices can be considered to be the advertising medium of future (Barnes, 2002; Barwise & Strong, 2002; Godin, 1999; Hoffman & Novak, 1996).

According to Mobile Marketing Association (MMA) "a mobile advertisement can be any collection of text, graphics or multimedia content displayed and accessible inside of an application for the purposes of promoting a commercial brand, product or service" (Submitted on website in 2008). Mobile advertising started with text messages (SMS) and voice calls have now evolved with technology to include sponsored mobile apps and advergames. Mobile advertising has become a useful tool to communicate advertisements to the potential customers anywhere any time (Barutçu, 2007; Muk A., 2007). Mobile phone is a personal & exclusive gadget and it accompanies its owner everywhere thus it provides perfect platform for personalized marketing and at the same time the advertising may also cause irritation if the message is not permitted and personalized (Barnes & Scornavacca, 2004; Barwise & Strong, 2002; Kavassalis, et al., 2003). In this case, permission marketing becomes an important concept for mobile advertising. Permission-based advertising differs from traditional advertising in the sense

that messages about specific products, services, or content are sent only to those individuals who have explicitly indicated their willingness to receive the message (Tsang, Shu-Chun, and Ting-Peng, 2004). Permission can be accepted or denied by selecting the opt-in or opt-out choices of answers to the questions asked by marketers (Rettie & Brum, 2001).

Getting mobile advertisements accepted by the target consumers is a big challenge for the marketers. Research finding by Carroll et. al., (2007) suggest that the factors leading to acceptance of the mobile advertising by the consumer may be the frequency with which advertisements are sent, timing, ease of usage and content.

The current paper concentrates on permission marketing in the context of mobile advertising. The propositions reported in this study can be further tested by future researches. This study also tries to probe into the antecedents of consumers' attitude towards mobile advertising using the conventional scale development process (Gilbert A. and Churchill J. 1976). The determinants of the consumers' attitude towards mobile advertising for Indian mobile users appear to confirm the existing scale and construct definition (Tsang, Shu-Chun, & Ting-Peng, 2004). However the scale needs to be validated using sufficient sample size.

### 2. Literature review

#### 2.1. Permission Marketing

The concept of permission advertising/marketing became important majorly after the advent of email and mobile marketing. Permission-based advertising differs from traditional advertising in the sense that messages about specific products, services, or content are sent only to those individuals who have explicitly indicated their willingness to receive the message (Tsang et. al., 2004).

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The term 'Permission marketing' is the opposite of traditional interruption marketing and is coined by Godin (1999). Permission marketing is defined as building an ongoing relationship of increasing depth with customers by obtaining their consent to receive information from a company (Carroll et. al., 2007).

Like emails, often the mobile advertisements intrude the customers' privacy and cause disturbance to the customer. Privacy and data protection issues arise due to the capability of mobile technology to collect, store, use, and disclose a lot of personal information. The emergence of personalized and location-based mobile advertising must be carefully monitored, as it may prove an extremely intrusive practice (Cleff et. al., 2001).

Consumers often impatiently ignore the message when interrupted by an advertisement. Thus, permission based advertising to the target audience focuses on reducing the irritation (Tsang et. al., 2004). The study of Maneesoonthorn and Fortin (2006) suggests that most users wish to have the ability to control text advertising received and hence support the concept of permission marketing. Thus, permission is important as uninvited advertisements may lead to consumers' frustration and unanticipated results (Barnes and Scornavacca, 2004). Also, as the mobile phones are intimate, hence sending SMS advertisements without the consumers' permission is a violation of privacy (Bamba and Barnes, 2007). Organizations collect the information about the customers which helps them to tailor according to the customer needs, but it may lead to consumers' loss of privacy that may result in a virtual invasion by unsolicited advertisements (Rapp, Hill, Gaines and Wilson, 2009). Barwise and Strong (2002) found another danger of non-permission marketing i.e. consumers will become irritated by the intrusion and delete the advertisement without reading, also the perception of the brand may be harmed. Thus, privacy issues are becoming extremely important in human-computer interaction as explored in the work of Ackerman Darrell and Weitzner (2001). Similarly, Privacy perceptions and media context can affect evaluations of advertisements (Banerjee et al., 2009). The irritation caused by advertisements in general is explored by Aaker and Bruzzone (1985). Muehling (1987) explores various factors contributing in building attitude towards Ads. Therefore, the influence of permission marketing on the consumers' attitude towards mobile advertisement and the advertised brand is worth exploring. The following propositions try to address this issue:

P1: What is the attitude of consumers towards the brands sending mobile Ads with permission viz-a-viz those who send Ads without permission?

P2: Are permitted Ads also perceived to be intrusive by the consumers?

## 2.2. Attitude towards Mobile Advertising

The study of customer preferences for advertising is done by many researchers. Customer preferences for advertising may differ based on location and culture. Many studies indicate that liking or disliking of advertisements has strong impact on culture and values which people possess.

Researchers have explored different conditions for acceptance of mobile Ads by the consumers. They point out different factors causing the acceptance or rejection of the mobile advertising. Their findings suggest that consumers are more likely to switch their phones off when advertised in more incongruent situations than congruent situations (Banerjee and Dholakiya, 2009). Exploring factors affecting the effect of advertising suggests that mobile advertisements are good in multimedia features but give rise to irritation as per the consumer attitude (Taezoon, Shenoy and Salvendy, 2008). The key factors contributing to mobile advertisements acceptance are value, entertainment, informativeness, credibility, and interactivity. These characteristics of an advertisement decide the effect on the mobile user towards advertisement (Yung, Hwang and McMillan, 2008).

The study conducted by Khanh and Hau (2007) on Vietnam's mobile users indicates that preferences for advertising reflect the culture of the nation. Interestingly, the emotional attachment of the mobile user with the mobile devices influences the receptiveness of mobile advertisements. Different components of emotional attachment with the mobile device have positive influence on advertise receptivity (Kolsaker and Drakatos, 2009). Even the hand-set specific advertising may have different effects. Studies have found that there are differences in the preferences of consumers depending on their age, gender, education and price segment (Tsang et. al., 2004, Haghirian and Sangyo, 2005). Yang (2001) used TAM2 model to study how social influence processes and past adoption behavior influence user intention to use mobile advertising among college students. The TAM consists of five major constructs: perceived usefulness, perceived ease of use, attitude, intention, and use (Tsang et al., 2004).

Carroll et. al. (2007) gives various factors which result in the acceptance of the mobile advertising by the consumer. These factors could be frequency with which advertises are sent, timing ease of usage, content etc. Barwise et. al. (2002) found no relationship between brand recall and the number of text Ads sent out for the brand. Thus, authors interpret this finding as an illustration of the significance of advertising copy. This leads to the next proposition:

P3: What conditions/features are required for an unpermitted mobile Ad to be accepted by the consumers?

The propositions can be tested by probing in to consumers' attitude towards mobile advertising and the advertised

brand. The next section tries to explain the construct, "consumers' attitude towards mobile advertising" using scale development steps.

### 3. Methodology

A study was conducted to explore the antecedents of the consumers' attitude towards mobile advertisements. The steps followed were based on the scale development process suggested in the literature (Gilbert A. and Churchill J. 1976; Li, Edwards and Lee, 2002). The process began by specifying the domain "consumers' attitude towards mobile advertising" and then progressed through four methodological phases: generating sample items, purifying the measure, validating the scale with new data, and assessing reliability. For validation, a pilot study was conducted on a sample of 46 mobile users (24 executives and 22 students); it might be noted that for standardization of the scale more number of responses would be required.

The process commenced with the preparation of adjective/items lists. A panel of seven doctoral students was formed, all were mobile users. The panel was first briefed about the definition of mobile advertising and then asked to generate a list of adjectives or items related to attitude towards mobile advertising. The list prepared by the panel was then supplemented with some items mentioned in existing literature related to mobile advertising. The final list consisted of 70 items. The panel members were then asked to rank the adjectives/items which they found to be relevant with measuring the users' attitude toward mobile advertisements. After elimination of duplicate items, the remaining 55 items were used to prepare a questionnaire. The questionnaire also consisted of some reverse coded items.

### 4. Results and Discussion

Factor analysis was performed on the responses which suggested ten factors. These factors were further reduced by scaling down the redundant items and performing check for duplicity to obtain a parsimonious scale. As the sample size was small, further reduction and clubbing of factors based on face value and literature support was done. Finally, a total of six factors as shown in Table 1, were extracted that confirmed with data and were backed by literature support. The six factors contained the items that measure the perception of the mobile user towards SMS advertising. With a high Cronbach's alpha value (0.90), the scale was found to have high internal-reliability. Four of these factors appear to be confirming with the attitude construct reported by Tsang et. al. (2004) which are Entertainment, Informativeness, Irritation, and Credibility.

Table 1 indicates that factors 1 and 2 are related with content and perceived intrusiveness of the mobile

advertisements, while factors 3, 5, and 6 seem to be addressing the trustworthiness of mobile advertisements.

Table1: Refined Factor Analysis Results

Factor	Items
1	Amusing, Entertaining, Acceptable, Appealing, Attention Grabbing, Attractive, Effective, Frequent, Funny, Genuine, Great, Innovative, Insincere, Lively, Personal, Safe, Uncomfortable,
2	Disgusting, Interactive, Interesting, Intruding, Irritating, Motivating, Provoking, Reliable, Silly, Useless, Worthless, Waste of Time, Annoying, Displeasing, Dangerous, Harassing, Disturbing, Unnecessary, Cheap
3	Trustworthy, Risk, Fraud, Phony, Fake
4	Abusing, Bad
5	Believable, Informative, Useful, Create Awareness, Relevant, Cost effective, Sincere
6	Convincing, Sincere

Interpretations and implications of the above results should be given here.

### 5. Conclusion

Future studies may explore attitude towards mobile advertising and attitude towards the advertised brand in order to test the propositions reported in this paper. The role of permission marketing is less addressed in Indian context. Studies may explore the practices and attitudes related to permission marketing. A refined scale can be developed to study the attitude towards mobile advertisement with reference to the Indian consumer. Most of the scales used presently are modified form of attitudinal or behavioral measurement instruments. New scales should be developed specifically for measuring various mobile advertising constructs.

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