Identifying the Influential Factors in Developing Positive Attitude towards Mobile Advertising Among the Customers in the City of Udaipur

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Abstract: We have been witnessing the rapid increase in the usage of mobile devices by the Indian customers which created a new mode of communication channel for marketing known as mobile advertising. The prior researches prove that the success of this mode of advertising depends on the consumer’s acceptance of advertising. Mobile is a kind of device which is accessed all the time by the users. Therefore we can say that it is the fastest and the most effective way to carry the information by the advertisers.

In this paper, we investigate the factors influencing consumer attitudes towards mobile advertising and the relationship between their attitudes and behavior. These factors are that informativeness, irritation, credibility and entertainment. Secondly, consumers generally not just have negative attitudes toward mobile advertising, but they prefer prior permission. Thirdly, incentives that offer free minutes on the phone lead to more positive influence on consumer intentions to receive and read mobile advertisement.

Keywords: Advertising, Mobile Advertising, Consumer’s Attitude, permission based mobile advertising

I. INTRODUCTION

The growth of mobile advertising has opened a new area for research. Since mobile phone is a very personal device that allows an individual to be accessed virtually anytime and anywhere, mobile advertising is increasingly becoming a personalized marketing effort and may take different forms. Providing a lot of information and services among individuals, mobile equipment enables the user to surf the wireless network to view real-time advertising messages and share such messages with others, and thus mobile advertising has a strong Interactivity and Ease to Use. If the advertisers want to use this medium of communication, they need to know how the mobile users evaluate mobile devices as a source of advertising and what major factors influence the acceptance of mobile advertising. The factors mentioned above lead us some questions like: what are the consumer’s attitude towards mobile advertising, which factors affect them and what is the relationship between consumer attitudes and consumer behavior.

Here we use the Tsang, Ho and Liang model [3] which is an empirical analysis of consumer behaviour in respect to mobile advertising. Entertainment, Informativeness, Irritation and Credibility are the main factors affecting the acceptance of mobile ads, as mentioned by most of the researchers. We also consider these factors and try to evaluate it in the city of Udaipur.

II. ADVERTISING – IN GENERAL

Advertising is one of the aspects of mass communication. Advertising is actually brand-building through effective communication and is essentially a service industry. Advertising plays a significant role in today’s highly competitive world. Consumers are deluged daily by advertisements in a variety of media. Indeed a number of advertisements and the number of media and vehicles carrying them have soared in recent years. In this increasingly crowded communication environment, consumer’s attitude towards advertising and their confidence in it are vital to access. Public attitudes toward advertising have been a focus of attention for a long time (Tsang et al, 2004).

III. MOBILE ADVERTISING

De Reyck and Degraeve (2003) defined mobile advertising as, “targeting well-identified potential customers with text messages, thereby increasing the response-to-advertisement ratio.” According to definition proposed by Mobile Marketing Association (2003), mobile advertising is “any form of marketing, advertising or sales promotion activity aimed at consumers and conducted over a mobile channel. Also, it can be defined as, “the business of encouraging people to buy products and services using the mobile channel as a medium to deliver the advertising message” (Leppaniemi et al, 2005). However it can be said that the minimum scope of this new phenomenon is “advertising that uses mobile terminals” (Bulander et al, 2005) and the maximum scope is using mobile as a interactive and ubiquitous marketing medium to provide consumers with personalized information according to where they are and their needs, thereby persuading the receiver to take some action, now or in the future, about goods, services and ideas. The speedy penetration of mobile companies into the Indian communication market resulted in an increased use of handheld devices and this has implications for Indian marketers. Since mobile phone is a very personal device that allows an individual to be accessed virtually anytime and anywhere, mobile advertising is increasingly becoming a personalized marketing effort and may take different forms. This new advertising media has been employed by many multinational companies like McDonald’s, Google and Microsoft, etc. This high penetration rate of mobile phones along with the recent technological development has created a whole new marketing medium named Mobile Advertising filled with possibilities for the advertisers. Earlier studies have although indicated the success of this new advertising channel to depend on user acceptance of receiving mobile ads.

IV. OBJECTIVES OF THE STUDY

1. To analyse the impact of consumer’s attitude on their intentions to receive mobile ads.
2. To analyze the impact of location based advertising on consumer’s intentions to receive mobile ads.
3. To analyze the impact of incentives on consumer’s intentions to receive mobile ads.
4. To analyse the relationship between the consumer’s intention to receive advertisements and his behavior after receiving the advertisements.
V. REVIEW OF LITERATURE

Yang et al. (2009) in their paper on ‘A location-based service advertisement algorithm for pervasive service discovery in wireless mobile networks,’ expressed that the practical success of pervasive services running in mobile wireless networks relies largely on its flexibility in providing adaptive and cost-effective services. Service discovery is an essential mechanism to achieve this goal. As an enhancement to their previous work for service discovery, that is, model-based service discovery (MBSD), this paper proposes a location-based service advertisement (SA) algorithm named as MBSD-sa. MBSD-sa advocates the importance of service location to the service availability and integrates the service location information together with the service semantic information into service advertisement. MBSD-sa utilizes prediction to estimate the service location so as to reduce the number of SA messages (SAMs). Two complementary types of SA mechanisms (Types 1 and 2) are employed by MBSD-sa to strike the balance between the SAM overhead and the accuracy of service information. The performance of MBSD-sa is analyzed both numerically and using simulations.

Huang et al. (2014) in their paper on ‘The personalized context-aware mobile advertisement system uses a novel approaching detection method over cellular networks,’ revealed that with the rapid development of smartphones and personal tablet computers, it brings a greatly growing rate of ubiquitous applications for location-based services (LBS). One famous LBS is the mobile advertisement. Approaching detection method (ADM) and context-aware ad targeting method (CAADTM) are used for the mobile advertisement. ADM can find some points of interests that a user is approaching; CAADTM pushes advertisements that satisfy user's requirement based on the user's context, that is, user's profile, current time, current position, and so on. Their experimental results have shown ADM has the good hit rate to determine those point of interests that a user is approaching within the 150-m radius of the approaching range, and CAADTM has the good hit rate of finding appropriate advertisements that a user prefers through the favorite content table filtering, the annoying content table filtering, and the advertisement clicking feedback.

Ju (2009) in his paper on ‘Technology and Social Sensibility in South Korea: A Case Study of Mobile Phone Advertising. Communication,’ revealed that Technology has culturally localized meanings. In other words, technology stands out in people's modes of living and particular social sensibilities grounding the local history and social structure. In Korean society, technology is manifested as an image of humanity, happiness, and even romance, so that one's happiness and success in a lifetime are compatible with their levels of technological progress. He defines this particular local tendency in Korea as “Confucian technological culture.” Specifically, he examine a phase of Korea's technological culture approaching details. In order to examine a phase of Korea's technological culture, he defines this particular local tendency in Korea as “Confucian technological culture.” Specifically, he examine a phase of Korea's technological culture. In order to examine a phase of Korea's technological culture, he defines this particular local tendency in Korea as “Confucian technological culture.” Specifically, he examine a phase of Korea's technological culture. In order to examine a phase of Korea's technological culture, he defines this particular local tendency in Korea as “Confucian technological culture.” Specifically, he examine a phase of Korea's technological culture.

Malhotra & Malhotra (2014) in their paper on ‘Mobile advertisement and consumer behaviour in India,’ revealed that innovation has led to the growth of the advertising medium for mobile marketers. To reach the consumers effectively through mobile advertisement, either using SMS or automated voice calls, has brought explosive growth in the telecom sector in India. They have tried to determine the effectiveness of such medium and the effect of its advertisement on the consumer behaviour in India. Mobile advertising enters the personal space of the consumers and thus the efforts have been made to detect the attitude of the consumers towards mobile advertisement. The study reveals that the mobile users have apparently developed an aversion to the mobile marketing messages, to which they are being subjected..

Loho-Noya et al. (2011) in their paper on ‘E-business solutions in the mobile advertisement,’ aimed at developing implementable e-business solutions to accelerate the adoption of information systems in the m-advertising industry. First, an e-business integrated customer chain model was developed for the m-advertising industry. Their findings on pattern analyses in the current research are beneficial to decision makers and managers in m-advertising companies. The study concludes that the implementable e-business solutions developed in this paper are crucial to accelerate the adoption of information technology for the m-advertising industry in the near future.

Chang (2013) in his paper on ‘Age matters: Short Message Service advertising reading behaviours’, conducted a study for initial investigation of two reading behaviours related to Short Message Service (SMS) advertising (i.e., when an advertisement is read and how much of an advertisement is read) across different age groups. The results showed that for most age groups, expectation is the most influential predictor of when a message is read, whereas perceived relevance is the most influential predictor of how much of a message is read. Different age groups display similar reading behaviours, but the mechanisms underlying the reading behaviours differ across age groups. These findings suggest that customised marketing strategies for different age segments are necessary for successful SMS advertising campaigns

Li et al. (2013) in their paper on ‘An efficient event delivery scheme in mobile ad hoc communities,’ expressed that the delivering events and advertisements to interested individuals is an important issue for mobile ad hoc communities. Providing a feasible solution to event delivery in highly dynamic and error prone mobile ad hoc environments is a challenging problem due to the inherent unreliable and unstable nature of mobile ad hoc networks. This paper proposes a novel semantics-based publish/subscribe scheme for efficient event and advertisement delivery in large-scale mobile ad hoc communities. InTheir proposed publish/subscribe system, mobile nodes are organised into groups and a compact semantics-based indexing is deployed in the groups. Efficient intra- and inter-group routings are proposed to facilitate efficient propagation of event notifications. The effectiveness of the system is demonstrated through a comprehensive set of simulation studies.

Park & Ohm (2014) in their paper on ‘The impacts of media type, placement and exposure type on attitudes towards advertisements on mobile devices,’ conducted a study to examine the relationships between the features of mobile advertisements and users' attitudes and purchase intention. Two experiments were conducted to explore the effects of media type, exposure type and placement on attitudes towards advertisements and purchase intention. The results for 192 participants indicated that bottom-located motion picture mobile advertisements elicited more positive attitudes regarding advertisements and purchase intention. The second experiment was a between-subjects experiment examining two factors, media type (still pictures vs. motion pictures) and exposure type (banner vs. pop-up). The results for 180 participants indicated that pop-up motion picture mobile advertisements elicited more positive attitudes and purchase intention. The findings and limitations of this study are both
explained from the perspectives of advertising studies and media features.

Chen et al. (2014) in their paper on ‘Location-based advertising in an emerging market: a study of Mongolian mobile phone users,’ examined the significance of association between format of advertisement, product involvement, privacy, and brand credibility and consumers’ attitudes towards the location-based advertising. The relationship between attitudes towards the location-based advertising and attitudes towards brands is also investigated. The experimental design with web surveys was conducted on 464 staff members of MobiCom Corporation, the largest mobile phone operator in Mongolia. Results show that animated location-based advertising, less personal information embedded advertisement message and foreign-brand products advertised through location-based advertising are significant contributors to a positive attitude towards location-based advertising.

Beneke (2011) in their paper on ‘Towards a conceptual model: a path analysis of fundamental relationships affecting mobile advertising effectiveness,’ aimed to establish that how attitudes towards mobile advertising ultimately influences purchase intention. A conceptual model was developed, linking the constructs attitudes, attention, involvement and purchase intention in the context of mobile advertising. The model was tested with a sample of 250 young adults using Partial Least Squares (PLS) analysis. Findings indicated that a positive relationship exists between a consumer’s attitude towards mobile advertising and his or her purchase intention. However, this relationship was found to be partially mediated by the attention that a consumer pays to the mobile advertisement, as well as his or her involvement in it.

Pei-Luen et al. (2013) in their paper on ‘Factors influencing mobile advertising avoidance,’ conducted with the purpose to build a conceptual model of relevance and to receive context to mobile advertising by the mobile media, ‘the fifth media’, and revealed that relevance could significantly affect users' advertising avoidance by reducing perceived intrusiveness and by increasing advertising recall and advertising attitude, resulting in significantly higher reactance. Receiving contexts with high-cognitive workloads leads to significantly shorter advertising reading time and recall, higher perceived intrusiveness, and behavioural avoidance and reactance. There is no interaction between relevance and receiving context. The findings addressed and provided several conceptual and managerial implications on advertising in mobile phone industry.

VI. RESEARCH METHODOLOGY

Data Collection: Primary method had been used for data collection. Questionnaire containing 10 items was used for data collection. Responses were recorded on 5 point Likert scales ranging from strongly disagree to strongly agree. The geographical scope of the study is confined to Udaipur city.

60 questionnaires were distributed among high school students in Udaipur and 70 questionnaires were distributed among students, faculties and staffs of various colleges in the city of Udaipur. Others were distributed among House wives, employees of various organisations and shop sellers. Our target group was youths because we believe that this age group will be the ones that are the target for mobile advertisers.

Demographic data show that 94 respondents were male and 73 female. 60 respondents had less than 18 years, 77 between 18 to 35, and 30 respondents are over 35 years old.

The questionnaire was divided into two parts. The first part included age, gender, occupation and education and also four questions about their desire to media type, number, length and type of SMS advertising.

Table 1: Shows frequency percent of user tends to type, number and length of received messages

<table>
<thead>
<tr>
<th>Communication media</th>
<th>Television</th>
<th>Mobile</th>
<th>Internet</th>
<th>E-mail</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>53.90%</td>
<td>38.90%</td>
<td>27.60%</td>
<td>8.40%</td>
<td>4.80%</td>
</tr>
<tr>
<td>Type of Advertising</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timing</td>
<td>37.10%</td>
<td>26.90%</td>
<td>26.90%</td>
<td>13.20%</td>
<td>9.60%</td>
</tr>
<tr>
<td>Product</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>56.90%</td>
<td>16.20%</td>
<td>13.20%</td>
<td>11.40%</td>
<td>2.40%</td>
</tr>
<tr>
<td>Election</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No number</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of Daily SMS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Matter</td>
<td>41.30%</td>
<td>24%</td>
<td>20.40%</td>
<td>14.40%</td>
<td></td>
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<tr>
<td>max two</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>max three</td>
<td></td>
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<tr>
<td>max one</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>no number</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Message received length</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Matter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not more than one line</td>
<td></td>
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<td></td>
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<tr>
<td>Not more than two lines</td>
<td></td>
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<tr>
<td>Not more than three lines</td>
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</tbody>
</table>

Sample Size: The sample of the study included 170 consumers from Udaipur region. And we had received the response of 167 consumers.

Sampling Unit: The study focus on students from various colleges, high school, Teaching and non teaching staff, shopkeepers, housewife and employees of various companies were also considered.

To confirm or dismiss our hypothesis, we used SPSS to run different test to find out if our hypothesis are statistically supported.

Statistical Tools: Correlation

Data Analysis and Hypothesis Testing:

H1: There is a significant relationship between consumer’s attitude and their intention to receive mobile ads

H2: Incentives can affect consumer intentions to receive the mobile ads.

H3: There is a significant relationship between offered location and their intention to receive mobile ads.
H4: Consumer’s intentions to receive mobile ads affect their behavior after receiving the mobile ads. The results of an improvised manner is very attractive for personal gadget and it is something that around 80% of the consumers agreed or completely agreed with various types of incentives and this agreement is more on the discounts on contact. With reference to these results we can say that retail price promotions change consumer’s purchase decisions and that the retailers should use price promotions more frequently to boost store sales.

H3: The third hypothesis has the lowest correlation coefficient. The reason behind this is the lack of experience. But due to the effectiveness and targeted nature of the location based services, we can expect better results from this test in future.

H4: The results of this hypothesis suggest that the correlation between the consumer’s decision to receive advertising and consumer behavior after receiving advertising is significant so the hypothesis is accepted.

CONCLUSIONS AND FUTURE WORKS

The purpose behind writing this paper is to identify the factors affecting acceptance of mobile advertising and gaining a better perception of using mobile advertising in business. We investigate the customer attitudes toward short message advertisings and factors affecting them. For this purpose a model with 4 hypotheses were represent. Our statistical analysis showed that all the four hypotheses were accepted.

The research shows that the consumers of udaipur have no negative attitude toward mobile advertising but prefer prior permission. Entertainment has the most important role in consumer's attitudes toward mobile advertising. This experimental study shows that incentives with discounts or a kind of cash back or may be an offered discount on next purchase especially on call costs, is very attractive for customers and this is the reason which largely affect their decision to receive mobile advertising.

One of the aim & benefits of this research is the feasibility of implementing known factors of accepting mobile advertising in Udaipur. Location–based advertising is the only factor which has recently been started in the city of Udaipur & it is expected that it will be provided in an improvised manner in the near future and mobile coupons are in this group too.

Since mobile is a very personal gadget and it is something which a person uses almost 24 hours a day, hence the attitude of the person receiving the mobile ads is not always the same. At times it is the matter of time, their occupancy with work; mood, etc are the factors which might affect the attitude and behavior of the recipient of these mobile ads.

In this research, we focus on factors influencing on customer attitudes. In the future work, we will also work on the aspects of decision and behavior resulting from acceptance models TAM, TRA and other acceptance mobile model.

References


