

SMS Messaging: A Mobile Marketing Medium

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ABSTRACT

The term "SMS" is used for both the user activity and all types of short text messaging in many parts of the world. SMS is also employed in direct marketing, known as SMS marketing. SMS advertising, which is an area of mobile commerce, is a form of advertising that targets users of handheld wireless devices such as mobile phones and Personal Digital Assistants (PDAs). With the increase usage of mobile technology in India, it is believed that SMS is the new advertising medium and behavior of the consumer need to be understood. But this study intends to relate several of these scattered opportunities and threat to give a coherent understanding of the factors leading to growth of mobile advertisement, and its attitude towards the advertisement, thereby trying to fill a gap in the existing literature in Indian markets context. Moreover, since this study concentrated only on SMS advertising, future research could focus on how consumers perceive the other possibilities offered by the mobile phone and followed by implications and suggestions of the study.

Keyword: SMS marketing; SMS Advertising; Mobile marketing.

1.0 Introduction

SMS marketing can be more cost effective than other media as its main cost is buying cell phone numbers. This is necessary if a company fails to convince customers to "opt-in", or give their permission to receive wireless advertising. According to Forrester Research, the price for 1,000 numbers can be as high as 30\$ in comparison to 1\$ for 1,000 e-mail addresses. According to experts, SMS' effectiveness in reaching target groups helps justify this higher price.

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The demand for mobile devices – equipment such as cellphones, PDAs, and digital music players that are typically used on an anytime, anywhere basis without being connected by wires – and services that use these mobile devices (mobile services) is growing rapidly worldwide. Furthermore, mobile services such as global positioning system (GPS) navigation, mobile email, and text and video messaging are growing at a significant pace.

Formally, we define mobile marketing as the two-way or multi-way communication and promotion of an offer between a firm and its customers¹ using a mobile medium, device, or technology. Because it involves two-way or multi-way communication, mobile marketing is primarily interactive in nature, and could include mobile advertising, promotion, customer support, and other relationship-building activities.

To better understand mobile marketing, it is useful to briefly review the key characteristics of mobile media and devices, and to compare mobile and mass marketing. The mobile channel –the marketing channel involving mobile devices – is growing rapidly in the multichannel environment (Neslin and Shankar 2009). All mobile devices incorporate one or more of the following capabilities: audio, text/data, and video. Furthermore, the following properties of mobile devices have key marketing implications.

2.0 SMS Advertising – A Part of Mobile Marketing

SMS advertising is a part of mobile marketing that utilizes the SMS technology. It allows marketers to send messages to consumers through the use of a mobile device (Zhang and Mao, 2008) and is considered as a form of one-to-one marketing (Xu, 2002, 2006). SMS messaging system has been predominantly used as a communication tool between friends, family, and peers. However, businesses have effectively implemented SMS advertising to update their customers, and track people and parcels (Leung, 2007). Furthermore, SMS advertising has also prompted marketers to send coupons to consumer's mobile phones (Xu, 2002, 2006; Varshney and Vetter, 2002). For example, consumer brands like Adidas, Coke, and Dunkin Donuts have already implemented and developed mobile marketing communication campaigns targeted at the youth market. In addition, SMS advertising is also commonly used to reinforce other traditional media such as broadcast and print media (Zhang and Mao, 2008).

3.0 Consumer Attitude toward SMS Advertisement in General

Attitudes are conventionally regarded as an indicator of the effectiveness of advertising (Jun and Lee, 2007). According to Fishbein and Ajzen (1975), an attitude towards an object is defined as an individual's internal evaluation based on his or her beliefs. Similarly, consumer attitudes towards SMS advertising can be determined by the values that they attribute to SMS advertising (Ducoffe, 1995). As suggested by Jun and Lee (2007), when consumers are provided with benefits such as entertainment and information, they will perceive advertising in a more favourable light. In addition, SMS advertising is found to be attention grabbing, a source of information, interesting, and interactive (Maneesoonthorn and Fortin, 2004).

While SMS advertising is identified to be a more effective medium to generate consumer response, young consumers hold increasingly negative attitudes towards advertising (Zanot, 1984; Tsang *et al.*, 2004). This could be attributed to the accumulated past negative experiences. High frequency SMS users also want to have control of the types of SMS advertising that they receive. Consumers may choose to switch service providers or delete the SMS ads without reading them if they find such ads personally intrusive (Carroll *et al.*, 2007). It is therefore crucial to examine if attitudes towards SMS advertising would discourage

SMS usage frequency. As such, attitudes towards SMS advertising could in fact affect the behavioral outcome of using SMS (Jun and Lee, 2007).

4.0 Factors to Willingness to Accept SMS Advertisement

The audience's trust to advertising messages can be investigated in two dimensions. First is the real confidence that the audience has about advertising claims being made in the short message advertising that in many studies has been named as validity instead of the term trust. In the second, the audience's trust in SMS advertising means that short message advertising that the user has received does not contain any risk for him. Thus the existence of such media for advertising, marketers are interested to know what factors affecting the audience trust to this type of advertising.

The audience's trust to SMS advertising is affected directly through his perception of the advertiser's company reputation, perceived size of advertiser corporate, perceived trustworthiness of the advertiser corporate, perception of privacy and perceptions about risks and benefits derived from SMS *advertising*.

Audience perception of advertiser corporate reputation and size is important factor because this factor can help audience to trust the corporate and provide guarantees

for the ability, integrity and goodwill of other corporate sectors. A company's reputation, which include the buyers believe that the seller of corporate product is honest and concerned about the customer needs (Jarvenpaa and Tractinsky, 2000). Several studies have shown that perceived corporate reputation is a determining factor in trust to internet shopping (Chen 2002; Koufaris, 2004). When the perceived reputation of the company is positive, consumers will have more confident to company advertisement. Customer perceived size of company is customer perception about the size of advertiser Company. Then customers believe that larger company more understands their interest which acts to its promises to the consumer. Apparently consumers believe a large company provides services for them and they will support consumer need and will be able to compensate defect of products (Koufaris, 2004).

Jarvenpaa and Tractinsky (2000) stated that the company size and reputation are likely interaction because it is more likely that a larger companies remains in the business longer and the larger and most famous companies are more trusted. If a consumer believes that the ability and motivation of advertiser's company to deliver goods and services is consistent with the expected quality, it can be said that there is trust (Jarvenpaa and Tractinsky, 2000).

Perceived privacy is a kind of self-concept that a user has in system that maintain the privacy of personal information. Topic of privacy in e-commerce and mobile commerce will affect consumer buying behaviour (Furnell, 2004).

Versatile business like conventional shopping has the dangers and advantages. In spite of the fact that someone maintains a strategic distance from m-business as a result of its dangers yet additionally there are the individuals who use it as a result of the advantages that they have gotten of web based business. Hazard speaks to potential that there is in wanted result when an individual is presented to a SMS promoting message. Seen benefits show the crowd accepts that when he/she get a SMS advertising, led to agreeable him/her. These advantages incorporate more prominent comfort, sparing time and invest less energy to choose the item or administration.

5.0 Objectives of the Research Study

- To identify consumers' perception and effectiveness on SMS advertisement.
- To identify major users of SMS advertising.
- To understand Motives and attitudes towards SMS advertising

6.0 Research Design of the Research Study

The research design of in this research study was descriptive one in nature considering its rationale' objectives, and hypothesis as well as, sources of information, sampling decisions, data analysis and interpretation as well as in view of results, findings and limitations of the research study.

7.0 Data Preparation and Analysis

7.1 Reliability

Reliability tests were applied to determine how strongly the attitudes of mobile users were related to each other to composite score. All dimensions of the structured questionnaire related with measurement of SMS' advertisement perception, attitude and effectiveness of SMS advertisement were tested for selected products and services. The Cronbach's alpha was 0.867 for overall statements. It confirmed internal reliability of the scale. (Malhotra, 2007; Beri,2008).

The summary of Cronbach's Alpha score for all criteria is given in Table 1.

Table 1: Overall Results of Reliability Testing for Mobile user's opinion on SMS advertisement (Overall)

Sr. No.	STATEMENTS	CRONBACH'S ALPHA
1	I feel SMS advertisement interrupt my normal use of the Mobile phone.	0.626
2	I like getting SMS advertisement via mobile phone.	
3	I think getting advertisement through SMS is good.	
4	I think SMS advertisement is reliable.	
5	I can get useful information from SMS Advertisements.	
6	I feel comfortable to get SMS advt. is easy.	0.910
7	Receiving SMS advertising easy.	
8	SMS advertising is easy to read.	
9	Getting timely information from SMS advertising is easy.	
10	Learning from SMS message is easy.	
11	SMS advertisement is useful for daily life.	
12	SMS advertisement is informative.	
13	Receive SMS advertisement make shopping easier.	0.642
14	I use SMS advertisement as a reference for purchasing.	
15	SMS advertisement fun to use.	
16	SMS advertisement exciting and interesting.	

17	I feel that SMS advertisement is pleasant.	0.8
18	I feel SMS advertising is not boring.	
19	I like to take chances for SMS advertisement than other Adt Media.	
20	I like to experiment with new way of doing things.	
21	SMS Advertisement is good source of product information.	
22	SMS Advertisement help me decide what to buy.	
23	SMS advertisement good source of information.	0.901
24	SMS advertisement is cumbersome.	
25	SMS Advertisement is annoying me.	
26	SMS Advertisement is irritating me.	0.647
27	I think SMS advertisement is less innovative.	
28	I think SMS advertisement does not suit personal need.	
29	SMS advertisement relayed at wrong time.	
30	I clutter as a result of too many ads.	
31	SMS advertisement caused disturbance at work.	
32	Its time consuming to go through SMS Ads.	0.748
33	I recall brands advertise thorough SMS advertisement.	
34	I find SMS advertisement relevant.	
35	I feel irritated to get SMS advertisement.	
36	I benefit from SMS advertisement giving promotional announcements.	
37	I think SMS advertisement is convincing.	
38	I consider SMS advertising not silly.	
39	I welcome permission based SMS advertisement.	
40	I consider SMS advertising of instructive nature.	0.783
41	I feel SMS advertisement give clear message.	
42	I think SMS advertisement is worth remembering.	
43	I think SMS advertisement is not easy to forget.	
44	I like to take advantage of SMS advertisement.	
45	I would like to improve knowledge.	
46	Would like to use for special promotions.	0.890
47	Invasion of personal space.	
48	Marketing related to promotional scheme, are more interesting.	
49	I am interested in participating in SMS advt.campaign.	
50	I will use text messages in future too.	0.890
51	There is risk of misuse of personal data due to use of SMS advt. & advt. service.	
52	I would like to share SMS advt. to my friends.	.867
Overall Reliability		

Source: Primary data based analysis

From the Table 1, it has been found that overall reliability of all statements which measure attitude and perception toward SMS advertising is 0.867. Which is in

range of $0.6 \leq \alpha \leq 0.9$ and good (Low-Stakes testing). Internal consistency interpretation shown in Table 2 to know meaning of Cronbach's alpha value and its internal consistency result interpretation.

Table 2: Cronbach's Alpha and Internal Consistency Interpretation

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.7 \leq \alpha < 0.9$	Good
$0.6 \leq \alpha < 0.7$	Acceptable
$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

Source: Malhotra, 2007; Beri, 2008

Table 3: Overall result of Reliability for Selected Products / Services

	List of Products / Services	Cronbach's Alpha if Item Deleted
PRODUCTS	Book cinema/ theater tickets through SMS	.860
	Book Travel Tickets Through SMS Information	.859
	Buy Electronic Product :SMS Advt Information	.860
	Make Micropayment in shop or elsewhere	.860
	Received and read news through SMS	.860
	New collection of garment information through SMS	.858
	New Collection of watch information through SMS	.858
SERVICES	Entertainment & Lifestyle	.858
	Games, Downloads & Application	.858
	Social Networking	.861
	Mail & Messaging	.859
	Devotional	.860
	Health	.859
	News & Finance	.858
	Travel & Transportation	.858
	Caller Management Services	.859
	Access and use transaction services/account balance information through SMS Advt.	.860
	Insurance Service SMS Advt. Messages	.859
	Online Education course offered SMS Advt.	.857
Overall Reliability		.865

Source: Primary data based analysis

To know SMS commercial recognition and viability on chose items and administration. Scientist has chosen most mainstream items and administrations which is promote by SMS advertising medium. Scientist had done Factor investigation and to know which items/benefits particularly like by respondents to remove items/administrations set. Unwavering quality examination for item and administration as follows. Generally dependability is 0.865 which is shows as acceptable (Internal Consistency) (Table 3).

8.0 Limitations of the Study

One of the constraints of this investigation was absence of enough related abstract things about SMS advertisements. Another impediment was confirming the best strategy to pick test gathering and deciding example size. In Iran, there are no allowed SMS promotions, so we were unable to inspect the impact of allowed/not allowed SMS advertisements on mentalities. Versatile showcasing - and as specific, SMS publicizing is in new started way and needs progressively scholarly and experimental investigates. Getting to enormous scope of cell phone clients was thought of.

9.0 Implications of the Study

Seeking an understanding of mobile phone users' attitudes towards and behavioural responses to SMS ads from a use-and-gratification perspective will help advertisers to design SMS messages that mobile phone users do not feel intrusive.

The theoretical contribution of this study lies in outlining the key factors that influence consumers' attitudes, perceptions, and adoption of mobile advertising.

For mobile advertisers and marketers, such intervention can prove beneficial to increase the adoption and effectiveness of mobile advertising.

The present findings have implications for both researchers and marketers. It would be interesting to know what the factors which contribute to create these negative attitudes toward mobile advertising and how we can change it.

SMS-based mobile advertisements and the relationships among attitude, intention, and behaviour. As the empirical data show, the respondents held negative attitudes about receiving mobile ads. This may have been because they found mobile adds irritating, given the personal, intimate nature of mobile phones. Their attitudes were favourable if advertisements were sent with permission. This implies that permission-based advertising may become a major mechanism in the mobile environment in the future.

10.0 Suggestions of the Study

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- If mobile advertising is conceptualized as a permission-based, it is thus important to ensure that mobile advertising will be accepted by mobile consumers.
- Introducing new mobile programmes which enables consumers to download movie previews on their cell phone and forward this content to other consumers for free. Such offers stimulate interest and knowledge in not only a mobile service innovation but also the studio's latest new movies.

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