Preceding To Permission Based Mobile Advertisement: An Empirical Study from Pakistan

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ABSTRACT: In recent days, the companies are extensively using technology for their promotion and advertising activities like mobile advertisement. This study aims to explore the factors that affect mobile advertisement and its build up a conceptual model to inspect the influence of three preceding factors (gender, personal trust, and attitude) on customer willingness to participate in permission-based mobile advertisement. Data is collected from 150 respondents through self administered questionnaires. The usable questionnaires were entered in the SPSS for regression analysis. Results of the study show that personal trust and attitude towards SMS advertisement significantly affect Permission. The study did not find any relationship between gender and permission. The results indicate the relative importance of two preceding factors of personal trust and attitude towards SMS advertisement. These factors influence the willingness of the consumers in giving their permission to different companies to send mobile advertisement messages.

KEYWORDS- Attitude toward SMS advertisement, Gender, Permission, personal trust

I. Introduction

Mobile phone uses Radio link or Wireless medium phone to send and receives the call. Mobile phone operators facilitate the function of cellular network by installing different gadgets on the towers which cover the broad area in any country. Modern mobile phones present a lot of other facilities like messaging, emails, Wi-Fi and Bluetooth etc. The period from 1990 to 2011 is the milestones in increasing the number of mobile phone users. All the sections of population of varied economic base are necessarily affected by the onslaught of mobile technology has become the most popular and flourishing business which needs advertisement of a massive scale, almost 4.6 billion people. Targeted mobile advertisement across the world in 2009. That’s why the advertisement industry of the global village is preferring this wireless media of mobile. In different countries of world, the different percentage of people receive Ads i.e. in Spain 75%, France 62%, Japan 54%. As the users of mobile grows the share percentage of mobile advertisement also increases, manifold, why this medium is popular; it is popular because it is easy to use and receive. Where ever and whenever you are, you can receive and ads of any part of the world with a single click.

How much money is spent on mobile advertisement throughout the world 9Million $ are spent alone in Japan on mobile advertisement. In 2008, almost 1billion $ was spent on mobile advertisement throughout the world. The money spent on mobile advertisement is expected to grown 43% annum, and it’s also expected that its volume will touch the tally of 8.7billion $ by 2014. Why are mobile ads so cheap? So far as the cost of mobile advertisement is concerned, it has much lower cost per thousand impressions (CPM), so much lower even to 0.75 dollar. On the other hand the (CPM) for web advertisement is high as 3.50 $. Even the mobile phone advertisement is much cheaper than the I-phone, Smartphone advertisement has 2.85 dollar (CPM). As the time passes, the medium of advertisement on mobile is growing poplar day by day because it has easy access to the wide sections of the world population with much more ease. Mobile advertisement exceeds 5billion dollars in 2012. In a lot of countries, mobile advertising is subject to government rule, which strain previous permission from the consumer before a mobile advertising message can be sent (barwise and Strong, 2002 Barnes; and scornavacca, 2004). Furthermore, mobile advertisement required customer to provide their personal data include, employee status, location, income etc. The more companies can utilize a verity of customer data, the more personalized, relevant and effective there mobile marketing messaging like to be (Yunos et al, 2003; Ho and Kwok, 2003). On the other hand if you need to obtained personal data of the customer’s and permission to use it, the trust is compulsory required. In fact, according to recent study (Greenville, 2005), one of the major cause clearing up the slow-moving uptake of mobile advertising is the perceived lack of user trust. This study create the organizations are not like to take up the mobile advertisement frequently because they fright that the customer are not like to contribute in this activity, as customer are perceived to fear about the problem of e-mail spamming that came on their mobile repeatedly. Another customer perceptive is that how organizations handle or use their private information. In the context of website of internet, (Hoffman et al, 1999) found that almost
63% of the consumers are refuse to provide their personal information to the companies. Lack of control over how organizations use the personal information, the analyst found the main reason behind this lack of trust, and it is conceivable that similar concerns may exists in the context of mobile advertisement (Yousafzai et al., 2003). There is a very huge range of services are obtainable on cell phones recently. These services also include mobile advertising, price comparison, entertainment and much more. The usage of new mobile services is upgrading and become an important economic factor. Nevertheless, as of today, only a minority of cell phone users makes use of these innovative applications (Bigne et al., 2005). There is the majority of mobile phone owners have only limited experiences by means of the services of mobile. Conducting advertisement research about innovative products or services is a problem laden, when customer have small or no experience with this type of innovations. Furthermore, consumer needs, motivations, and attitude towards inventions are unconscious and not manifested in the customer’s minds (Koenigstorfer et al., 2008). The general purpose of the current study is to explore the factors that affect the mobile advertisement in different characteristics of gender, attitude toward SMS advertising and personal trust. Research Questions are developed to obtain the information of mobile advertisement.

II. Literature Review and Research Model

2.1. Permission

Permission is the starting point of exchange information between user and the mobile marketer. Anyhow permission can be taken up as the “dynamic boundary produced by the combination of one’s personal preferences” (Scornavacca, Barnes and 2004, p. 133). In these preferences include, as an example messages privatization with time, situation and informational material. As mentioned in earlier time, in Europe, marketers are needed to gain users consent to be a part of any mobile marketing program. Briefly saying, without the complete and final permission of consumer, it is not possible to carry out mobile marketing program. “In short, without the precise permission from the consumer it is not likely to carry out mobile marketing” (Kautilon et al., 2007). The very first necessary canon is all mobile advertising has to be permission based. Permission based explicit obvious permission from the customer it cannot be unwelcome distance and stoppage the digital corresponding of the junk mail which we hate getting at home in our snail mail. All mobile advertising has to be permission based.

We define consumer’s permission to show SMS advertisement as an agreement to receive ads related to SMS. Acceptance of consumer means that they will adopt SMS advertisement as a part of their routine lives. A number of school thoughts tried to find the success or approvals of SMS advertisement, concerned m-commerce, applications, direct marketing means to get customers prior permission to send marketing messages via electronic channel like cell phone. It must be noted that in the light of an existing relation to a customer, Marketer are free to elevate similar products/services, so that their opt-in customers “Which refers to the customer’s skill to opt out of the communication in an instant and easy way” (Karjaluoto, and Leppaniemi 2005).

2.2. Gender

Gender is the broad set of personality that is seen to differentiate between male and female. It can expand from sex to social role or gender personality as a word. “Gender” has more than one valid meaning. “It has been argued that men and women be different in relation to how they procedure in sequence, how they method green cues, and their desires in the purchase encounter” (Beverland, Minahan, 2005). So gender places as a role of key variable for marketing analysis into many aspects including advertising effectiveness. “In term of defining it is not unavoidably meaningful to assess gender as a incessant variable for the reason that advertising processing research outcome are usually similar whether gender is operational zed as a binary or incessant build” (Garast and bodenhausen 1997; Alreck et al., 1982;). Hence, “gender in this learning is operational zed as a binary build: male or female, and is termed “gender” as opposite to “sex” because gender is viewed as both a biological and sociological procedure” (Boles and Babin, 1998). So, if we suppose that gender based advertising beliefs, attitude and behavior patterns are manifested, it is pivotal point for advertisers to acknowledge them, and user them to sketch Gender-peculiar ads. “Although different gender roles show to have become somewhat unclear as evidenced by more current work (McGrath, and Otens; 2001) For the sake of this study, gender describes biological gender and gender work means permission based marketing.”Indeed recent research inretailing has begun to current typologies of the particular shopping styles of men and women” (Mitchell Bake well, 2004)

H1: There is a relationship between gender and permission
2.3. Personal Trust

A belief created for a human being or people. Personal trusts can be used by rich or middle-class beneficiary to complete a multiplicity of financial objectives. Personal trusts are split authorized entities that have the power to buy, sell, hold and handle property for the advantage of there. Personal trusts can obtain several forms. They can be revocable or unchanged, living or testamentary. The can sponsor education expenses, meet unique needs or beneficiaries or permit them to avoid or decrease estate taxes. They can also be split taxable entities or pass-through entities. Personal trust consists of two pillars. “The first thing is concerned with the customer’s past experiences with the company (EXP)” (Sztompka, 1999: Kautonen and Kohtamaki, 2006). Experience is never restricted to particularly mobile marketing, but also supposed to aggregate towards a more general sense. For instance, an experiences reflects the sum of experiences gained to company’s products and services, it might be encounters to the company’s personnel experience molds the customer’s cognition of the particular company, including its customer’s trust worthiness. This perception may be influenced by social factor “This based on the experiences that friends, family members, colleagues or other connections in the customer’s social set of connections have with the company, which the pass on to the client in form of recommendations and narratives” (Sztompka, 1999: Bauer et al., 2005). Second factor personal trust’s component means social influence, that is experienced by customer from persons in his/her social circle. We are of opinion that where persons have actual perception of personal trust, they definitely allow permission

H2: There is a relationship among Personal trust and permission

2.4. Attitude towards SMS Advertising

Improvement in technological methods, have bestowed various medium for advertisement and have further permitted organization, that have better approach to consumers along to consideration towards frequency and influence of advertisement. Advertisers must have to be more creative in making of advertisement and choice of medium, so that they can achieve target market’s attention. The requirement of new mediums for advertising has guided to the formation of new age media for instance Inter-alia, SMS advertising “An attitude towards an entity is defined as an individual’s inside appraisal based on his or her value. In the same way, end user attitude to SMS advertising (Ducoffe, 1995). As recommended by (Jun and Lee) (2007),” when consumers are provided with advantages such as entertainment and information, they will observe advertising in a more good lighting addition SMS advertising is found to be concentration grabbing a basis of information, interesting, and interactive” (Lee et al, 2006; Maneesoonthorn and Fortin, 2004). "While SMS advertising is known to be a more helpful medium to generate consumer reply, young consumers hold more and more negative attitudes towards advertising” (Tsang et al, 2004 Zanot, 1984:) This could be attributed to the accumulated previous unhelpful experiences (Babin , Muk ;2006). SMS users that user this services very frequently also desired to have check on the SMS advertising types that received to them. “Consumers may decide to switch service providers or remove the SMS ads without reading them if they get such ads personally interfering” (Carroll et al., 2007). Therefore, it is very crucial to monitor if attitude towards advertisement could discourage the frequency of SMS usage. As such, attitudes towards SMS advertising could in fact influence the behavioral result of via SMS (Lee and Jun, 2007).

H3: There is a relationship between attitude towards SMS advertising and permission

![Figure1. Proposed Model](image-url)
III. Research Methodology

The current research is descriptive in its nature. Descriptive research can be explained as describing something, some phenomenon or any particular situation. Descriptive researches are those researches that describe the existing situation instead of interpreting and making judgments (Creswell, 1994). The main objective of the descriptive research is verification of the developed hypotheses that reflect the current situation. This type of research provides information about the current scenario and focus on past or present for example quality of life in a community or customer attitudes towards any marketing activity (Kumar, 2005).

3.1. Sample/Data

In this study, data is collected through a survey questionnaire held in Pakistan, 150 respondents were included in national sample, in Pakistan. The population for the current research is mobile users in Pakistan. The feedback form is divided in to two parts the first part of the feedback forms elaborates on the independent and dependent variables that would be tested in the survey. The second part of the feedback forms identifies the secret information of the respondents. It has ensured that the sample members posses two main qualification to participates in the self-administered survey. First, the sample member should be using mobile and having enough knowledge about mobile advertisement. Second, they mostly participate in mobile advertisement campaigns. We select these sample members from different metropolitan cities of Pakistan. Two main clusters will target to collect the sample data like university students and employees. The selection of students and employees are based on the previous results of the studies on mobile advertisement. Young adults are more interested in mobile advertising as compare to others. Young people can easily learn the skills needed for mobile advertisement. Income is also an important factor for the adoption of mobile advertisement.

3.2. Instruments and Measures

The survey instrument of the current study address two major purposes: First is to analyze the relationship of different variables in the adoption of mobile advertisement. Second, to collect information about the different characteristics of the respondents that can be used to understand the variations in different categories.

The survey instrument contains two sections. Section 1 includes different personal and demographic variables. This section will obtain the respondent’s information about gender, age, Income, education, status, and use of mobile. Section 2 includes the latent variables that are important in the current study. These variables include Gender, Attitude towards SMS advertising, Personal Trust and permission. This section of the study is developed based on the past literature and already used questionnaires. (Table.1)

The scales of the study were adopted from the previous literature and published studies. The first variable is Attitude towards SMS advertising and it contains three items. This weighing machine has been developed based on existing by (Boudreau & Geffen, Straub, 2000). The next variable is Personal trust having six items was taken from Granovetter (1973) Sztompka (1999), Yamagishi and Yamagishi (1994), Zucker (1986), Bauer et al. (2005), Kautonen and Kohtamaki (2006), and Welter and Kautonen (2005).The last variable is Permission with three factors and This weighing machine has been urbanized based on concept existing by Bauer et al. (2005) and Tsand et al. (2004).

<table>
<thead>
<tr>
<th>No.</th>
<th>Variables</th>
<th>Items</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Permission</td>
<td>1. I am willing to give my mobile phone number to a company that practices mobile marketing.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. I am willing to provide my background information (e.g. gender, age) to a company practicing mobile marketing.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. I am willing to participate in mobile marketing activities.</td>
<td>Bauer et al. (2005)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tsand et al. (2004)</td>
</tr>
</tbody>
</table>
2. Personal Trust

1. I have had good experience with the company’s products/services.
2. I have had good experience with the company’s previous direct marketing campaigns.
3. I have been a longstanding customer of the company.
4. A person I am familiar with has recommended the company’s mobile services.
5. My friends/family members have positive experiences of the company.
6. My friends/family members use mobile services from this company

Kautonen and Kohtamaki (2006)
Sztompka (1999)
Yamagishi and Yamagishi (1994)

3. Attitude towards SMS Advertising

1. Using my mobile phone for text messaging is a good idea.
2. I like the idea of using my mobile phone for text messaging.
3. Using my mobile phone for text messaging would be pleasant

Geffen Straub & Boudreau (2000)

3.3. Procedure

The questionnaire was distributed among 200 respondents in Multan and Bahawalpur. These respondents are selected based on the criteria above mentioned. Before giving the questionnaire, the purpose of study and questions were explained to the respondents so they can easily fill the questionnaire with relevant responses. A sum of 150 questionnaires is elected as well as rests of the questionnaires be not included in the further analysis due to incomplete or invalid responses. After collection the completed questionnaires, these questionnaires were coded and entered into SPSS sheet for ANOVA and regression analysis.

3.4 Reliability Analysis

Overall CRONBACH’s alpha of the variables is more than acceptable and recommended value 0.50 by Nunnally (1970) and 0.60 by Moss et al. (1998). This shows that all the 12 items were reliable and valid to measure the opinions of consumers towards mobile advertisement.

Table 2: Reliability of Measurements Instrument

<table>
<thead>
<tr>
<th>Scale</th>
<th>Items</th>
<th>CRONBACH Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permission</td>
<td>3</td>
<td>0.742</td>
</tr>
<tr>
<td>Attitude toward SMS advertising</td>
<td>3</td>
<td>0.691</td>
</tr>
<tr>
<td>Personal Trust</td>
<td>6</td>
<td>0.690</td>
</tr>
</tbody>
</table>

IV. Result and Analysis

4.1. Profile of the Respondents

Personal and demographic information such as gender, age, income, education level, position and the use of mobile network are presented in the following table (Table.3)

Table 3: Profile of the Respondents.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>103</td>
<td>68.7</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>47</td>
<td>31.3</td>
</tr>
<tr>
<td>Age</td>
<td>15-20 Years</td>
<td>41</td>
<td>27.3</td>
</tr>
<tr>
<td></td>
<td>20-25 Years</td>
<td>84</td>
<td>56</td>
</tr>
<tr>
<td></td>
<td>25-30 Years</td>
<td>13</td>
<td>8.7</td>
</tr>
<tr>
<td></td>
<td>30-35 Years</td>
<td>8</td>
<td>5.3</td>
</tr>
<tr>
<td></td>
<td>35-40 Years</td>
<td>1</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>Above 40 Years</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Income (Rs/Month)</td>
<td>Below 15000</td>
<td>110</td>
<td>73.3</td>
</tr>
<tr>
<td></td>
<td>15000-25000</td>
<td>17</td>
<td>11.3</td>
</tr>
<tr>
<td></td>
<td>25000-35000</td>
<td>7</td>
<td>4.7</td>
</tr>
<tr>
<td></td>
<td>35000-45000</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>45000-55000</td>
<td>2</td>
<td>1.3</td>
</tr>
</tbody>
</table>
V.  Hypotheses Testing

5.1. Gender and Permission
To check the impact of gender on permission, the current study conducts ANOVA analysis. According to results, there is a thumb down significant differentiation among male and female on consent. Based on these results, we reject our hypothesis that male and female shows different behavior on permission.

5.2. Attitude towards SMS Advertising and Permission
According to result of the study the variable Attitude toward SMS advertising have a significant positive relationship with Permission with (β=0.174) and (p < 0.05). That means the Attitude towards SMS Advertising contribute more than 17% to permission. These results of the current study validate the H2:

5.3. Personal Trust and Permission
The regression result of the study confirm the significant positive relationship between Personal Trust and Permission with (β=0.393) and (p < 0.001).According to these results Personal Trust contributes more than 39% to Permission. The results of the study support H3:

Table 4: Regression Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Model variables</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2</td>
<td>Permission — ATA</td>
<td>0.174</td>
<td>0.124</td>
<td>0.965</td>
<td>**</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>Permission — PT</td>
<td>0.393</td>
<td>0.119</td>
<td>5.090</td>
<td>***</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Figure 2. Structural Model Results
VI. Discussion/Conclusion

The abstract model in this study postulates that gender, personal trust, and attitude towards SMS advertising of mobile advertisement are antecedents of permission. The researcher concludes with that these important facts are essential in understanding. The mobile advertisement industry is basically in its initial stage so the customer have to make their own discussions by their logical thinking related to the mobile advertisement’s consent of women is of greater importance than men, but still permission from both the genders, the men and the women, is an important factors which in return strengthens the relationship with customers The result from the study provides useful and important implications for academics and practitioners in several ways. First, our findings suggest that gender has a substantial impact on consumer’s responses to SMS advertising. It appeared that females tended to more actively participate in SMS advertising and other kinds of competitions. This result is consistent with prior research that indicates that women are more actively involved with the mobile media than men are. Specifically, Trappey and Woodside (2005) analyzed 26 SMS text advertising campaigns and the result shows that women, irrespective of age and/or marital status, respond to and SMS call-to-action either a Mobile advertisement at significantly superior rates than men.

Second, our findings indicate that age affects consumers’ responses to mobile advertising campaigns. We found that consumers in the age group 20-35 were most likely to send an SMS advertisement, and participate in SMS sweepstakes and competitions.

Third, besides gender and age, other socio-demographic characteristics such as income and employment status appear to be associated with consumer responses to mobile advertising. It was also found that the student group was associated with participation in SMS competitions. In addition, our findings indicate that a status of unemployment was associated with participation in SMS sweepstakes and other competitions. Our findings also suggest that income level does not have a substantial impact on consumers’ participation in SMS competitions, and ordering Cell phone services alike as ringtones, mobile screen logos, and screen savers via SMS.

While personal trust is important in the generally sample. “This finding is in dissimilarity to preceding research” (e.g. Welter and Kautonen, 2005, Sztompka, 1999; Lewis and Weigert, 1985), That is to attribute personal experiences & the personal trust along with social influence. An attainable explanation can be brought into being by applying the idea of experience addition. In the situation of relationships, a strong determinant of belief is the length and depth of the relationship, or how well the co-worker is known (Yamagishi and Yamagishi, 1994 Sztompka, 1999; Kramer, 1999;). It is almost possible that a consumer knows the media better than companies and gives more important to the trust which is developed through it. Mainly consumers avoid giving very personal information that may include age, sex, other contacts number’s of bank balance information. The exposure of personal data without the permission or consent of the customers can spoil the image of the company marketers should apply such a way of building trust with customers that they achieve their response not dislike. So, to conclude, it can be more informative to have this study done in other regions and places (countries) in order to make legal our findings and researches.

References

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