

## A Study on Consumer Attitude Towards the Mobile Advertising in Hyderabad

**KEYWORDS** 

Mobile market, Consumer attitude, Digital marketing channels, Mobile advertisements.

## E. HYMAVATHI

## ASSISTANT PROFESSOR, TKR INSTITUTE OF MANAGEMENT AND SCIENCE

Abstract A better understanding of consumer attitude towards the mobile advertising is a crucial success factor in an emerging mobile market. Technology developments have created new digital marketing channels, and these are considered to be powerful opportunities to reach consumers by allowing interactivity and personalization of the content and context of the message. Mobile advertising allows companies to specifically target the right consumers by looking at age, gender and geographic regions etc. Being able to advertise to such a specified target group is an advantage for companies; however the question remaining is how consumers perceive this form of specific targeting advertising. This study focuses on giving an importance of mobile marketing and an overview of consumers' attitudes towards mobile advertising looking at the different aspects of this new marketing phenomenon. This study has revealed that mobile advertising can be used by the marketers to develop effective product and promotion mix for different segments.

#### INTRODUCTION:

With more than eighty percent of Indians now subscribing to wireless services, many marketers view mobile phones as the next big direct marketing medium. A growing number of consumers- especially younger one- are using their cell phones as a "third screen" for text messaging, surfing the wireless web, watching download videos & shows, and checking email.

In recent years, mobile marketing has provided new opportunities for companies and workers in the field of marketing to communicate with the target audience in an effective manner, as it represents an interactive means for promotions and sales that establishes and promotes a positive attitude towards the company, its products and its services, in addition to sustaining a long-term relationship with the target market.

Mobile marketing have become powerful tool for marketing communication and information dissemination. This has made it easier for consumers to compare marketing information, product offerings, and prices before significant purchase decisions are made by the consumers. With this level of information at consumer's disposal, consumer behavior has become increasingly difficult to predict by marketers as consumers expect transparency and real-time interactions with the organization.

The mobile phones are no longer used for communication alone, the mobile phones are rather said, smart phones, are used for browsing the internet for information to ordering of online products, mobile banking and paying of bills. Hence, the mobile phone is set to become the Third Screens after TV and computer. As with other traditional marketing programmers', consumer attitude play an important role in determining the success of using the mobile device by marketers as a platform for communicating, creating sales and building relationships with their consumers. The acceptance of mobile device by consumers is influenced by, amongst others, the perceived utility of the content and the perceived risk associated with data security and consumer privacy.

The mobile phone is seen as a personal device and as

such, marketing messages are expected to meet the individual need and possibly take the form of permission marketing (a message either in form of SMS and MMS that has been requested by the consumer as part of an opt-in scheme requiring the consumer to indicate their consent to receive commercial messages and information of interest to them) in order to stimulate a positive response from the consumer. A mobile device is a possession many people carry with them and text messaging is generally used for one-to-one contact, which is why a more personal approach seems to be required in mobile marketing in order to generate a favorable attitude from the consumer. Intrusion of marketing messages into this personal device often leads to irritation, especially when the mobile phone is seen as an "extended self", of the consumer. Thus, this study contributes to the understanding of the influence of mobile marketing messages on consumer purchase behav-

## **OBJECTIVES OF THE STUDY**

- To know the importance of mobile marketing.
- To understand and analyze the attitude of consumers towards mobile advertising.
- To know the different factors influencing the consumers' acceptance of mobile marketing.

## LIMITATIONS:

- The market of telecommunication is too vast and it is not possible to cover each and every person. Thus the study undergone only in Hyderabad.
- The sample size of the study is 200 as the study focuses only on youth and adults who use mobile phone in Hyderabad.

## RESEARCH METHODOLOGY:

An initial empirical study was conducted in Hyderabad. This study focuses on youth and adults who use mobile phone. The sample size of 200 for the survey was drawn from various categories of consumers, and thus appropriate representation of all market segments was ensured. The length of the survey questionnaire was kept optimum. The information collected through the survey was supplemented by conducting a few focus group discussions with the consumers in all the market segments. This research is

intended to be questionnaire-based exploratory study that investigates the consumer attitude towards the mobile advertising.

#### SOURCES OF DATA AND SAMPLE SIZE:

The total sample consists of 200 with 102 males and 98 females. The data was collected from those respondents who owned mobile phones. The survey was conducted in the month of July 2015. The age of all the respondents ranged from 21 to 45.

A well structured questionnaire administered to respondents directly by researcher by visiting them in their office, college and workplace, etc. Teenagers and adults, especially college students, are said to be more open and responsive to new information communication technologies on mobile devices.

#### THE IMPORTANCE OF MOBILE MARKETING:

The importance of mobile marketing can be outlined through the following:

- The importance of mobile marketing increases through the spread of mobile phone usage and its adoption as the main channel for the promotion of goods and services as a means of direct contact with consumers.
- The popularity and spread of short messages (SMS) as one of the mobile phone applications contributed to increasing the role that mobile marketing plays in communicating with consumers and providing them with information on a regular basis.
- The marketers' adoption of mobile marketing has enabled them to showcase their products to consumers and interest them in buying these products from retail stores
- 4. The utilization of mobile marketing text messages plays an active role in generating brand awareness and achieving and inducing a positive response from the consumers, through updating sent information due to the shortness of sent messages in addition to its low cost, ease of use and accessibility to the target consumers.
- 5. Price offers through mobile marketing offer unique opportunities.
- 6. The technology of mobile phones has helped companies increase the effectiveness of product distribution and tracking goods during shipment and the ability to deliver from the nearest truck or outlet, thus playing an active role in reducing storage costs, as well as enabling consumers to keep track of the ordered product, its delivery route and its date of delivery.
- 7. By providing the short messages service SMS and multimedia services such as MMS and video, mobile marketing thus enables the marketers to reach a wide range of individuals wherever they are and at any time.
- Mobile marketing has provided marketing managements with the possibility of advertising, sales promotion and direct marketing in a personal, interactive way, in addition to determining the content of the advertising messages based on the personal information of mobile users.
- The integration of communication through mobile phones with the traditional channels of communication reinforces brand awareness.
- 10. Mobile marketing has provided the marketers with interactive communication, the confidentiality and continuity of the response, and the ability to quickly determine the level of response to the sent messages.
- 11. The rate of target's response to mobile marketing cam-

paigns is higher than that of traditional methods of promotion.

## TYPES OF MOBILE MARKETING

- 1. **Push marketing:** Push mobile marketing refers to marketing messages that are delivered proactively to mobile phones, intended to reach the target groups with out customer's explicit request. Push-messages are sent by the company at times when they consider that it might be relevant to the customer, without prior consent from the consumer. If the consumer does not consider the message relevant, it can easily be perceived as annoying and intrusion into ones privacy
- 2. **Pull marketing:** Pull mobile marketing involves requesting the consumer to indicate his interest/consent to receiving marketing messages on his mobile phone. Through Pull marketing, customers requests for precise information via their mobile phones. the idea of pull marketing is that the customer is interested in their own needs, and not the Marketing organizations compelling them to buy their products or service. Marketing firms need no other permission to send messages to target consumers in pullmarketing, where the consumer has requests the marketing message specifying when they wish to receive it. Consumers' requests are often used in developing new services as they serve as guide to consumers' real interests and can be used for building customer database and purchase profile which is more valuable to the organization.

#### CONSUMER ATTITUDE TOWARDS MOBILE ADVERTISING

Marketing communication strategy depends largely on consumer attitude and behavior towards the company and its product. The study of consumer attitude has become imperative in a bid to ensure consistent purchase of marketing products/services. Consumers attitude about marketing information are a direct indication of how they feel about the product itself, which reflects in their decision on whether or not to purchase the advertised product. As the mobile device is a new and emerging platform of marketing communication, it has become imperative for this study to examine how marketing messages through this new medium (the mobile phone) affects consumer attitude.

An attitude may be defined as a feeling of favorableness or unfavourableness that an individual has towards an object. Consumer attitude towards marketing messages varies according to the communication media used, message content and consumer factors. Advertising research has shown that the effects of advertising activities on consumers are determined by the influence of advert message on consumers' attitude, the advertising company and the media. Thus, there is a need to identify and assess factors which contribute negatively or positively to attitude formation of consumers towards mobile marketing messages.

#### CONSUMER PERCEPTION ABOUT MOBILE ADVERTISING

#### Negative perception

- > less informative
- Not suiting personal needs
- > relayed at the wrong time
- too many ads
- > loss of privacy
- cause disturbance at work
- time consuming to go through ads

#### Positive perception

- ➤ recall of brands
- recall of sale/special promotions
- ➤ recall of products /services advertised
- positive impact of mobile ads

# A MODEL OF CONSUMER ACCEPTANCE FOR MOBILE MARKETING:

Consumer's attitude towards mobile advertising is influenced by their innovativeness and current knowledge of this marketing phenomenon, whether the consumer is an information seeker and its attitude towards advertising in general, the perceived utility and risk of mobile advertising, social norms, and its behavioral intention. Within this model, the perceived utility regards three different dimensions, the perceived information within the advertisement, the perceived entertainment level of the advertisement, and the perceived social utility of the advertisement.

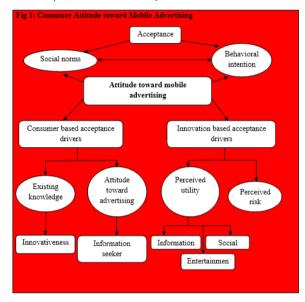


Fig 1: Consumer Attitude towards Mobile Advertising

#### CONSUMER-BASED ACCEPTANCE DRIVERS:

Innovativeness "Actual innovativeness" refers to the actual adoption of a specific innovation by a particular individual. Consumers characterized by a high degree of innovativeness are usually very open to new experiences and tend "to make constructive use of information received". Considering the high advertising investments of the telecommunications industry as well as the strong media presence of topics related to mobile communications, individuals with a high level of innovativeness are likely to receive a large amount of information on mobile communications.

**Existing Knowledge** A central psychological determinant of consumers' behavior is an individual's knowledge. Existing knowledge affects the cognitive processes related to consumers' decisions and is thus also an important determinant of the acceptance decisions. A consumer's existing knowledge determines his ability to understand the features and usage of an innovation. Existing knowledge thus affects the consumer's perceptions of the innovation's complexity.

The innovation is perceived to be less complex if the consumer already possesses a certain amount of knowledge about the innovation itself or about a product similar to it. The more familiar a consumer is with mobile communications in general the less difficult the use of mobile marketing services will appear to him.

**Information Seeker** An individual's propensity to search and use information is an important construct in the analysis and explanation of consumers' behavior. The personal relevance of advertising messages also depends on the individual's pro-

pensity to receive information. It is plausible to assume that an individual's propensity to search and use information partly determines his attitude towards mobile advertising.

Attitude towards Advertising The theory of cognitive dissonance developed by Festinger (1978) uses one of the most important theoretical concepts in explaining the integration of a single attitude into an individual's attitudinal system. The theory is based on the assumption that an individual is always aiming to keep his cognitive system in balance. If inconsistencies between several cognitions (i.e. opinions, attitudes, or expectations) arise, consumers experience feelings of discomfort. To overcome this displeasing feeling, consumers try to reduce the inconsistencies between their cognitions. Frequent exposure to advertising creates familiarity with these advertisements, which keeps the attitude towards advertising of consumers stable and consistent. It therefore appears that the attitude towards mobile marketing will be highly dependent on the attitude towards advertising in general.

This study found that individuals displaying a strong tendency towards "exploratory behavior" tend to exhibit a high propensity to search and use information. This implies that information seekers are fond of receiving advertising messages and have a positive attitude towards advertising in general.

## INNOVATIONS-BASED ACCEPTANCE DRIVERS

Perceived Utility (information, entertainment, and social), Many authors claim that consumers will only accept mobile marketing if they perceive a benefit in receiving advertising messages on their mobile phone. According to Kaas(1990), a consumer perceives the advertising stimuli if its marginal utility exceeds the marginal utility that results from using an additional time unit to engage in an alternative activity. This implies that consumers' attitude towards mobile marketing will be more positive the higher they perceived the utility of this marketing service.

**Perceived Risk** The risk associated with mobile marketing is mainly perceived as one of data security. New media services users tend to have concerns about data manipulation, unauthorized data access, and unwanted tracking of usage patterns. By using the mobile medium it is possible for marketers to reach consumers anytime and anywhere. This characteristic provides the basis for high-potential, personalized mobile marketing on one hand, but also accounts for consumers' willingness to adopt mobile marketing as an innovation.

Consumers' behavior is strongly influenced by perception of risk; consumers are usually uncertain about the consequences of a decision or an action. Furthermore, it has been revealed that consumers try to minimize risk rather than maximize utility. A consumer's subjective risk perception can thus strongly determine this behavior. This is especially true for the adoption of innovations, a consumer's lack of experience with the new product can cause consumers to find themselves in a situation of high risk. Consumers therefore try to reduce the risk associated with a certain behavioral decision. During an adoption decision this can result in the refusal of an innovation. The causal relationship between risk perception and attitude towards mobile marketing can be assumed as being negative.

#### **ACCEPTANCE**

**Social Norms and Behavioral Intentions** Attitude towards the act (Attitude towards Mobile Advertising) and the behavioral intention are additionally connected by a causal relationship such that attitude towards the act predicts behavioral intention. To identify and understand the determinants of the consumer's acceptance of mobile marketing it

is thus necessary to measure the factors determining the attitude towards mobile marketing. The factors that need to be measured consider: Innovativeness, existing knowledge, information seeker, attitude towards advertising, perceived utility information, perceived utility social, perceived utility entertainment, perceived risk, social norms, and the intentional behavior factors.

Behavior is determined by behavioral intention. The behavioral intention is in turn postulated to be a function of the individual's attitude towards the act and the social norms. Whether the attitude towards the act or the social norms exerts the greater influence on the behavioral intention depends on the individual and the decision object

#### DATA ANALYSIS AND INTERPRETATION

A structured questionnaire has been administered to teenagers and adults who use mobile phones in Hyderabad, the primary data have been collected and presented in a tabular form.

#### 1. RESPONDENT'S DEMOGRAPHIC DATA

The general profile of mobile users has been presented in the following table.

Table1: Respondents by Socio-demographic Characteristics

s.no	Personal facto	ors	Respondents	
1	Sex	Male	102	
		Female	98	
2	Age	21-25	15	
		26-30	62	
		31-35	65	
		36-40	30	
		41-45	28	
3	Marital Status	Single	75	
		Married	112	
		Others	23	
4	Educational Background	No formal education	4	
		School level	11	
		College level	102	
		Professional level	83	
5	Occupation	Student	43	
		Employer	57	
		Employee	78	
		Business owner	12	

## 2. MOBILE PHONE USAGE AND USAGE PATTERN

The respondents were asked to state how frequently they use their mobile phones and the data has been represented in a tabular form.

Table2: Respondents by Mobile phone Usage/Usage Pattern

	Variables	Respondents				
s.no.		Very often	sometimes	Never		
1	voice calls	189	11	0		
2	SMS	113	83	4		
3	MMS	0	3	197		
4	Videos	128	72	0		
5	Games	102	53	45		
6	Music	160	26	14		
7	News & sports	31	118	51		
10	face book	52	137	11		
11	Whats App	124	72	4		
12	Twitter	102	53	45		
13	mobile web browsing	160	26	14		
14	mobile chat- ting	124	63	13		
15	Email	66	133	11		

#### 3. MARKETING MESSAGES

Frequency of marketing messages to customers will translate into awareness, interest and learning, possibly bringing about a state of elation and more positive attitude towards the brand or product, and this may eventually result in a purchase action. This is possible where consumers of marketing messages already have a predisposition to welcome and utilize such messages. There is the likelihood of such messages generating increased consumers interest. The percentage distribution of respondents by rate of receiving Marketing Messages has been represented in a tabular form.

Table 3: Percentage Distribution of Respondents by Rate of Receiving Marketing Messages

s.no.	Marketing messages	Once a month (%)	Once a week (%)	Daily (%)	Many times a day (%)	Several times a week (%)	Do not receive (%)
1	product/service information	6.1	7.6	8.1	7.6	11.9	3.4
2	promotional messages	6.2	7.5	7.2	7.5	12.7	4.5
3	Free: SMS, call credit, internet Services	7.2	8.1	8.2	7.1	8.5	2.3
4	Entertainment (jokes, games, Chat)	6.5	10.0	7.5	8.2	9.2	4.5
5	Information (weather, job Vacancy, traffic flow)	6.2	6.2	6.2	6.2	7.2	9.1
6	Invitation for voting in a TV show or contest	10.0	5.7	4.5	4.3	6.2	12.5
7	Music downloads	10.5	9.1	8.5	10.3	5.9	14.8
8	caller/ring tunes downloads	7.1	7.2	8.1	9.2	6.9	6.8
9	breaking news	7.5	7.5	9.5	7.5	6.5	4.5
10	Sports	7.3	7.1	7.3	7.1	6.1	8.0
11	Inspirational (Quotes, devotional)	7.1	6.3	8.1	6.3	5.8	9.1
12	Lifestyle (Health/fitness, fashion, love tips)	7.4	8.6	8.4	7.1	6.1	10.2

The table indicates that respondents receive daily, weekly and monthly mobile marketing messages on their phones. Respondents getting mobile marketing messages once a day ranges from 4.5% to 9.5%, respondents for many times a day messages ranges from 4.3% to 10.3%, respondents for once a week messages ranges from 5.7% to 10%, respondents for several messages in a week ranges from 5.8% to 12.7% and respondents for once a month message ranges from 6.1% to 10.5% respectively. This indicates that respondents receive regular marketing messages on their mobile device.

# 4. BEHAVIORAL RESPONSE TO MARKETING MESSAGES

This section entails the frequency distribution of respondent's behavioral response to marketing messages. This analysis was carried out in order to evaluate how mobile phone users respond to marketing messages sent to their mobile phone device. Details of their responses are shown table

Table 4: Frequency Distribution of Respondents by Behavioral Response to Marketing Messages

s.no.	Response to sms	frequency	percentage
1	ignore it completely	64	32.0
2	read it occasionally	136	68.0
3	read it immediately	57	28.5
4	read and accept	21	10.5
5	read and reject	127	63.5
6	delete it immediately	45	22.5

## **CONCLUSION:**

A better understanding of consumer attitude towards the mobile advertising is a crucial success factor in an emerging mobile market. This study concluded that Consumers will perceive marketing messages as valuable, as long as it provides relevant information and creates some form of benefit to them.

The Mobile device especially the mobile phones have become daily necessities for people, most importantly for teenagers and adults. The Mobile phone provides marketers with another platform to reach potential consumers. The result of this study can be used by organizations and marketers to better understand the variables that contribute to consumers' attitude towards receiving and responding advertisements and marketing messages on the mobile phone.

This study also concludes that frequency of marketing messages does not reflect negative effect on consumer attitude. Marketing messages with promotional contents have a moderate positive effect on consumer attitude.

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