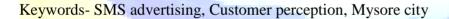# CUSTOMER PERCEPTION TOWARDS SMS ADVERTISING

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ABSTRACT

There has been an incredible growth in the mobile telecommunication and advertising industry in India. SMS is now a very powerful business communication & marketing tool. This paper investigates the relationship between consumer perceptions towards SMS advertising in mobile cell phones. The data for the research is collected 150 respondents in Mysore city. The simple random sampling method was deployed to collect the necessary information. The data were collected on four dimensions namely entertainment, informativeness and credibility and it was analyzed through one sample t test. The results revealed that all the four dimensions were positively related to customer perception.

Keywords- SMS advertising, Customer perception, Mysore city

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INTRODUCTION

SMS has been the most successful non-voice service for mobile operators in telecommunications and, as such, has been a key profits maker. The key to the success of SMS has been its simplicity, reach, price and reliability. All other messaging based applications launched since SMS have struggled to meet the supercilious expectations set by the service and pastel in comparison to its success The need to generate new mediums for advertising has directed to the creation of new-age media such as short message service (SMS) advertising. Before this medium can be efficiently used to reach consumers, the attitude of consumers towards SMS advertisements need to be resolute. Studies have highlighted a huge number of advantages of SMS advertising and includes that this medium allows for real-time communication with consumers anytime and anywhere This study therefore focuses on determining the perceptions of the consumer towards SMS advertisements.

LITERATURE REVIEW

SMS advertising - When defining SMS advertising, it is essential to analyse the explanation of mobile marketing as this definition may in part be relevant to the definition of SMS advertising. Mobile marketing is based upon conveyance information to consumers by means of either SMS or MMS (Multimedia Message Service). It can consequently be assumed that mobile marketing involves some level of SMS advertising with the final being a component of mobile marketing. SMS advertising will be defined as "Using short message service (SMS), sent to consumers' cell phones, to provide consumers with time and location sensitive information that promotes goods, services and ideas, thereby generating value for all stakeholders" (Kavassalis 2003). Researches have highlighted a huge number of advantages of SMS advertising and includes that this medium allows for real-time communication with customers anytime and anyplace (Tsang 2004). SMS advertising also increases the likelihood that the advertisement reaches the target market as consumers usually have only one cell phone and carried around with them at all times (Kavassalis 2003). SMS advertising is the only conduit applicable for recipients when on the move and is a great benefit for aiming young consumers who often have lively lifestyles and are not bare to the more conventional advertising channels (Heinonen 2002) The new generation of consumers have also been faster than older generations in knowledge to use and adapt to new

technologies such as the internet and cell phones (Spero 2004). Another advantage of SMS advertising is that, if efficiently planned, an SMS advertising campaign is low in cost. The low cost of SMS advertising is augmented by the capability of this medium to target and offer exact customers with important information and get a high response among recipients of the message and decrease wastage (Kavassalis 2003). Although SMS advertising has a huge benefit over more traditional mediums of advertising, it is frequently strained that the medium should not be used in isolation. SMS advertising should be flattering with the traditional mediums of advertising (Scharl 2005). The admiring nature of SMS advertising may be based upon the fact that mobile marketing and SMS advertising are in the early stages of commercial deployment.

Within the obtainable literature, researchers do tend to agree on the large issues that are significant in determining consumer acceptance of SMS advertising, although there is some divergence as to the relative consequence of each issue (Maneesoonthorn 2006). Most researchers and academecians agree that the nature of an advertising message, the situation within which it is received, consumer perceived sacrifices such as frustration, control and privacy are the concepts that need to be taken into accont when determining acceptance of SMS advertising (Bauer 2005; Nysveen and Thorbjorsen 2005; Tsang, Ho and Liang 2004). The nature of the message has been identified as a probable driver of acceptance. This utility of the advertising message is comprised of message connected factors such as entertainment value, information content, relevance and usefulness (Bauer 2005; Dickinger 2004; Krishnamurthy 2001; Merisavo 2007). Research suggests that if the message content is seen as relevant informative, useful consumers are likely to be more accepting of SMS advertising

Advertiser credibility can be defined as the level to which a consumer perceives a company to be a credible source of information, based on sufficient pertinent expertise (Varey 2002). It strongly influences attitude toward the advertiser, which in turn is an important forecaster of attitude toward the advertising (Mackenzie and Lutz 1989). Examples could be like a single individual is supposed to believe the form of mobile advertising if he is receiving the SMS from a company which he have trust and credibility towards the company. It is considered to be one of the independent variables as Mackenzie (1989) found that credibility sturdily influences attitude on the way to the advertiser, which in turn is an vital predictor of attitude toward the advertising.

Advertisers' credibility is defined as "the level to which consumers believe that a firm can plan and deliver products and services that please customer needs and wants" and has been found to have direct positive effects on attitude toward the advertising, the brand, and purchase intention (Choi 2002). The model of consumer attitudes towards SMS advertisements as developed by Brackett (2001) hypothetically depicts the association between consumer perceptions of the entertainment value of SMS advertising and consumer attitudes towards SMS advertising. This model has in various studies been used as the basis for theoretical testing of the association in the SMS advertising. (Bauer 2005; Haghirian 2005; Tsang 2004).

OBJECTIVE OF THE STUDY

The objective of the study is to determine whether the consumers are satisfied by SMS adverting in Mysore region.

METHODOLOGY

The relevant data for the study has been collected from both primary and secondary sources. Research methodologies used in the study are one sample t test and Anova. Simple random sampling used to collect the information and data was collected through structured questionnaire by using five point likert scale. A sample of 150 respondents was selected for the study.

HYPOTHESIS

1) Ho-The Entertainment have no significant positive impact on customer perception
2) Ho-The informativnness have no significant positive relationship on customer perception
3) Ho-The have no significant positive impact on customer perception
4) Ho-The credibility have no significant positive relationship on customer perception

ANALYSIS AND INTERPRETATION

1) **Demographic**

Analysis of demographic information revealed that 56 percent customers were young and aged between 19 years to 25 years and 58 percent of the respondents were males. Around 66 percent of the sample respondents had graduation and 58 percent were employed; out of the total sample 43 percent of the respondent's annual income was in between 150000 to 250000;

2) **One-Sample t test- table-1**

One-Sample Statistics

Entertainment	N	Mean	Std. Deviation	Std. Error Mean
I feel that receiving mobile advertisements is enjoyable and entertaining	150	2.3067	1.27940	.10446
I find mobile advertising is pleasant	150	1.2400	.42851	.03499
I find entertainment services (video, game, images,) positive	150	2.8800	1.27926	.10445

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
I feel that receiving mobile advertisements is enjoyable and entertaining	-6.637	149	.000	-.69333	-.8998	-.4869

I find mobile advertising is pleasant	-50.303	149	.000	-1.76000	-1.8291	-1.6909
I find entertainment services (video, game, images,) positive	-1.149	149	.252	-.12000	-.3264	.0864

One-Sample Statistics

Entertainment	N	Mean	Std. Deviation	Std. Error Mean
Entertainment	150	6.4267	1.51213	.12346

One-Sample Test

	Test Value = 3					
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
Entertainment	27.754	149	.000	3.42667	3.1827	3.6706

Based on the results of the **One sample t-test analysis at 95%** confidence level, the Hypothesis **H₀ .** There are no significant effects of entertainment on customer perception **rejected**, and **Hₐ .** There are significant effects of entertainment on customer perception **not rejected** since one sample t-test successfully revealed a statistically significant values for factors. **Mean values** fall in positive side (less than 3), **t_{cal} value > t_{tab} value** and **p-value < α = 0.05** for all the select entertainment factors under study.

One-Sample Statistics

Informativeness	N	Mean	Std. Deviation	Std. Error Mean
I feel that receiving mobile advertising is a good source of timely information	150	1.7533	.43252	.03531
Mobile advertisements provide the information on a product or service that Iam looking to use and need	150	2.1467	1.07683	.08792
Through advertising messages via mobile phone, I receive exclusive information	150	1.7067	.45682	.03730

One-Sample Test

	Test Value = 3					
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
I feel that receiving mobile advertising is a good source of timely information	-35.302	149	.000	-1.24667	-1.3164	-1.1769
Mobile advertisements provide the information on a product or service that Iam looking to use and need	-9.706	149	.000	-.85333	-1.0271	-.6796
Through advertising messages via mobile phone, I receive exclusive information	-34.675	149	.000	-1.29333	-1.3670	-1.2196

Based on the results of the **One sample t-test analysis at 95%** confidence level, the Hypothesis H_0. There are no significant effects Informativeness on customer perception is **rejected**, and H_a. There are significant effects of Informativeness on customer perception is **not rejected** since one sample t-test successfully revealed a statistically significant values for factors. **Mean values** fall in positive side (less than 3)**, t_{cal} value > t_{tab} value** and **p-value < α = 0.05** for all the select Informativeness factors under study.

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One-Sample Statistics

Credibility	N	Mean	Std. Deviation	Std. Error Mean
I use mobile advertising as a reference for purchasing.	150	2.0267	1.00299	.08189
I trust Mobile advertising.	150	1.7133	.83816	.06844
I would accept mobile advertising messages if I was given financial incentives	150	2.5200	.85703	.06998

One-Sample Test

					Test Value = 3	
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
I use mobile advertising as a reference for purchasing.	-11.885	149	.000	-.97333	-1.1352	-.8115
I trust Mobile advertising.	-18.801	149	.000	-1.28667	-1.4219	-1.1514
I would accept mobile advertising messages if I was given financial incentives	-6.859	149	.000	-.48000	-.6183	-.3417

Based on the results of the **One sample t-test analysis at 95%** confidence level, the Hypothesis H_0. There are no significant Credibility on customer perception is **rejected**, and H_a. There are significant effects Credibility on customer perception is **not rejected** since one sample t-test successfully revealed a statistically significant values for factors. **Mean values** fall in positive side, t_{cal} **value** > t_{tab} **value** and **p-value < α = 0.05** for all the select Credibility factors under study.

ANOVA(age)

		Sum of Squares	df	Mean Square	F	Sig.
Entertainment	Between Groups	86.166	4	21.542	12.272	.000
	Within Groups	254.527	145	1.755		
	Total	340.693	149			
Informativeness	Between Groups	2.448	4	.612	.278	.892
	Within Groups	319.345	145	2.202		
	Total	321.793	149			
Credibility	Between Groups	121.596	4	30.399	10.877	.000
	Within Groups	405.264	145	2.795		
	Total	526.860	149			

To determine whether any significant differences existed between the respondent ages regarding the selected dimensions a one way Anova test was carried out. In one way ANOVA analysis we compared all dimensions with age. Three dimensions showed statistically significant differences ($p < .05$) between the age groups. Among the four dimensions, Entertainment showed the difference of ($f = 12.27$, $p < .05$), Informativeness presented the difference of ($f = .278$, $p < .892$), showed ($f = 3.454$, $p < .05$) and finally Credibility ($f=10.877$, $p < .05$).

ANOVA(gender)

		Sum of Squares	df	Mean Square	F	Sig.
Entertainment	Between Groups	.176	1	.176	.076	.783
	Within Groups	340.517	148	2.301		
	Total	340.693	149			
Informativeness	Between Groups	.035	1	.035	.016	.899
	Within Groups	321.758	148	2.174		
	Total	321.793	149			
Credibility	Between Groups	.336	1	.336	.137	.712
	Within Groups	363.324	148	2.455		
	Total	363.660	149			

To decide whether any major differences existed between the respondent genders concerning the selected dimensions a one way Anova test was carried out. In one way ANOVA analysis we

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compared the dimensions between genders. Out of five dimensions only two dimensions showed statistically significant differences ($p < .05$) between the genders. Among the five dimensions, product quality showed the difference of ($f = 71.72$, $p < .05$) and service quality presented the difference of ($f = 74.00$, $p < .05$) Were significant. And rests of the dimensions were not significant. Therefore for the first two dimensions we accept alternative hypothesis and for the rest of the dimension we accept null hypothesis.

CONCLUSION

SMS advertisements are perceived by information, entertainment to be relatitive to provide time and location, and how consumers are sensititive to information and advantages. Consumer perception towards SMS advertisement is a factor of type of the message, prefefence and relevance to demographic factors such as age and annual income.

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