

# WIRELESS ADVERTISING: A STUDY OF MOBILE PHONE USERS

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*Topic:* Using a qualitative methodology, this study attempts to provide a general framework of the functions of mobile communication, and to identify the specific preferences of mobile phone users regarding the commercial messages received on their personal devices.

*Research objectives:* (1) To identify the specific characteristics of mobile communication as perceived by mobile users; (2) to define and analyze the functions of wireless communication as perceived by mobile phone users; and (3) to investigate users' preference regarding the content of commercial wireless communication.

*Previous research:* Bauer et al. (2002) identified time, location, information and personalization as relevant acceptance factors for mobile advertising. Barwise and Strong (2002) developed a conceptual model, arguing that social norms, user's motives, mode, time, location and personal characteristics will affect the processing of mobile information by consumers. Tsang et al. (2004) evidenced the influence of entertainment, informativeness and irritation, while Bauer et al. (2005) argued that consumer attitudes are influenced by perceived information, entertainment, and social utility. In a similar study, Xu and Gutierrez (2006) tested the effect of entertainment, irritation, informativeness, credibility and personalization on the attitudes of Chinese consumers.

*Research methodology:* First, a series of academic and practical articles and reports have been accessed in order to assess the existing knowledge on this topic. Second, five focus groups have been organized with six mobile phone users, aged between 20 and 40 years old. Each focus group comprised an equal number of male and female participants. The focus groups lasted between 45 and 60 minutes and addressed three main issues: the specific characteristics of the mobile phones as a commercial communication media, the functions of mobile phone communication, and the specific preferences of mobile phones users regarding the content of commercial messages.

*Findings:* The participants demonstrated an active attitude regarding mobile advertising, which they think it has the potential to revolutionize the practice of commercial communication, by focusing more on consumer's personal needs and circumstances.

*Implications:* This transformation cannot be realized without increasing the interactive control of mobile phone users' over the functionality and content advertising messages. Although the required technology already exists, it seems necessary to create new applications that can combine the advantages of customer-, product- and location- centered communication.

*Original contribution:* Previous studies often used an analytical approach, highlighting specific variables regarding consumer perception or technology adoption. Using a qualitative methodology, this study provides a general framework of the functions of mobile communication, and identifies the specific preferences of mobile phone users regarding the commercial messages received on their personal devices.

*Keywords:* wireless advertising, mobile phones, functionality, content, users' opinions

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## **I. Introduction**

Wireless communication evolves constantly, determined by the introduction of new technologies and the apparition of new customer demands (Park et al. 2008). However, despite the potential of wireless advertising, marketers have quickly understood that the specific characteristics of mobile

devices and communication require an adaptation of the style, type and content of advertising messages. For example, considering the personal nature of the mobile phone, commercial messages should be tailored in accordance to customer needs and preferences (Haghirian et al. 2005).

However, in comparison with internet advertising, mobile advertising is still insufficiently understood. Existing studies are often using an analytical approach, which highlights only specific variables regarding consumer perception or technology adoption. Using a qualitative methodology, this study attempts to provide a general framework of the functions of mobile communication, and to identify the specific preferences of mobile phone users regarding the commercial messages received on their personal devices.

## **II. Literature review**

Mobile advertising was defined as “advertising or marketing messages delivered to portable devices, either via synchronized download or wirelessly over the air” (Laszlo 2009: 29). The main advertising methods/formats that were described in the literature were the SMS and the MMS (Park et al. 2008; Samanta et al. 2009), although the development of mobile internet creates a new possibility of mobile interactive advertising (Laszlo 2009).

The potential of mobile advertising has attracted many researchers who attempted to identify its success or adoption factors (Park et al. 2008). Bauer et al. (2002) identified time, location, information and personalization as relevant acceptance factors for mobile advertising. Barwise and Strong (2002) developed a conceptual model based on the information processing theory, arguing that social norms, user’s motives, mode, time, location and personal characteristics will affect the processing of mobile information by consumers. Studying the consumer attitudes toward wireless advertising, Tsang et al. (2004) evidenced the influence of entertainment, informativeness and irritation, while Bauer et al. (2005) argued that consumer attitudes are influenced by perceived information, entertainment, and social utility. In a similar study, Xu and Gutierrez (2006) tested the effect of entertainment, irritation, informativeness, credibility and personalization on the attitudes of Chinese consumers.

A qualitative study by Peters et al. (2007) identified several categories of motives that determine customers’ adoption of wireless advertising: process motives, social needs and content needs. On the other hand, Jun and Lee (2007) tested seven factors that may influence consumers’ attitudes: mobility/convenience, fashion, information, entertainment/relaxation, functional service, multimedia service and sociality, but only the impact of convenience and multimedia service were statistically significant. Using a quantitative approach, Ma et al. (2009) attempted to identify the factors determining consumers’ acceptance of mobile advertising. Their findings indicate that perceived message credibility has an important impact on the adoption intention, and the consumers’ ability to adopt high technology, inertia, and their motivation also affects their personal attitudes. Recently, Vatanparast and Butt (2010) investigated the factors affecting the use of mobile advertising, considering four categories of factors: (a) consumer factors: privacy, purpose and performance, (b) message factors: content, credibility and customization, (c) device factors: interface, interactivity and intelligence, and (d) media factor: price, process and policy.

Despite the importance of the existing research, it is easy to notice the existing contradictions between various research findings. This limitation might be due to the specific definition, conceptualization and measurement of various variables, or by a variation in the empirical setting. The identification and statistical validation of quantitative variables is certainly important, but quantitative studies cannot fully describe the personal attitudes and opinions of specific consumers, and cannot take into account their specific circumstances. In order to further

develop the understanding concerning the perceptions and attitudes of users towards commercial wireless communication, this study applied a qualitative approach.

### **III. Research methodology**

In order to investigate mobile phone users' preferences regarding commercial wireless communication, the following research objectives have been defined:

1. To identify the specific characteristics of mobile communication as perceived by mobile users.
2. To define and analyze the functions of wireless communication as perceived by mobile phone users.

3. To investigate users' preference regarding the content of commercial wireless communication.

In the first stage of the research process, a series of academic and practical articles and reports have been accessed in order to assess the existing knowledge on the topic of commercial wireless communication and to develop a theoretical research framework. Then, in the second stage, five focus groups have been organized with six mobile phone users, aged between 20 and 40 years old. Each focus group comprised an equal number of male and female participants. The focus groups lasted between 45 and 60 minutes and the moderated discussion addressed three main issues: the specific characteristics of the mobile phones as a commercial communication media, the functions of mobile phone communication, and the specific preferences of mobile phones users regarding the content of commercial messages.

The discussions have been recorded, and then transcribed. The collected texts have been evaluated using qualitative thematic analysis based on indentifying and interpreting the convergent themes expressed by the participants in the focus group.

### **IV. Presentation and discussion of findings**

#### ***The specific characteristic of wireless communication and advertising***

The participants to the focus groups outlined that the most streaking features of mobile communication, are, in order, mobility, personalization and immediacy.

"Mobility is the essence of mobile communication, and the most important relative advantage in comparison with traditional communication media" [S.V., 37 years, male]. In addition, mobility is pushed at extremes with mobile phones and other wireless devices, since the user is carrying the communication devices with him/her, and can be contacted anywhere and anytime. When mobility is reduced or eliminated, either because the user has lost/forgot the mobile phone, or because of limited network coverage, the user feels isolated and unsatisfied: "If my mobile phone is not working and I need to call my husband it can be very dramatic, since now it is much more difficult to find public fixed phones. Everybody has mobile phones and expects you to use them as well" [A.T., 34 years, female].

Personalization was the second most important feature of mobile communication identified by respondents: "A mobile phone is a very personal tool. When I call the number of my mother I do not expect anybody else to answer the phone. Sometimes it is my father who picks up the call, and then for several seconds I feel lost – did I call the wrong number?" [F.B., 22 years, female].

On the other hand, the expanded functionalities of mobile phone have increased their personalized utility, sometimes creating a sense of dependency: "I do not know what I would do if I would loose again my mobile phone. It happened to me once, a year ago, and for two weeks I felt completely helpless" [A.L., 26 years, male].

Immediacy is related with the facility to exchange information over mobile phones: "When using the mobile phone, the communication is like real-time, and you can solve immediately any existing problem" [A.J., 21 years, female]. Immediacy can also be perceived sometimes as a burden by some mobile phone users: "It happens to me quite often to receive a phone call and to

think ‘oh my god, here we go again, I wish they would live me alone for a while’. You can say that I am quite a private person and too many unexpected intrusions in my personal life irritate me” [S.B., 28 years, female].

As it can be clearly seen, there is a clear connection between the functional and social characteristics of mobile phones and the specificity of mobile communication, both in a positive and in a negative sense. Another interesting element is the complexity of the expressed views – mobile communication is not idealized, the participants outlining both its positive and negative aspects. The negative aspects appear especially when the user lacks control over the flow and the frequency of communication: “Although I consider the mobile phone as a highly useful device, I do not like to be harassed by anyone who wants to call me. I take great care to give my mobile phone number only to close friends, and I always emphasize that I expect them to exercise restraint in using it”. [M.G., 37 years, male]. This tendency towards increased control that was evidenced by some participants indicates an important limitation in the way in which the mobile marketing campaigns should be designed and implemented. The complexity of the situation is increased by the fact that the personal threshold of tolerability (or irritability) is different from one person to another, depending on their personal history and personality.

### ***The main functions of mobile communication***

The respondents have identified four main functions of mobile communication: information, entertainment, advertising, and personal communication. In two of the focus groups, the personal communication function was considered as the main feature, which, in some respect, incorporates the three other ‘secondary’ functions. However, in the other three groups the participants reached the conclusion that the concept of personal communication is too vague and too general to represent a function, indicating in priority information, entertainment and advertising: “These three functions are really the core of mobile communication. Personal communication can be considered as the general method of communication, because the mobile phone is so personal..., so you can say that any mobile communication in which you participate represents a form of personal communication” [D.J., 25 years, male].

Many participants indicated however, that at the level of mobile messages, it is often difficult to identify only one of these three classical communication functions, the tendency being to create communication with a hybrid functionality (Alcatel 2002; Apostolou 2007; Westerink et al. 2000): advertainment (advertising + entertainment), infotainment (information + entertainment), and infortising (information + advertising). The main reason for the use of these hybrid functionalities is their increased efficiency at communication level: “Pure advertising is often not attractive enough on the mobile phone, because the user is immersed in other various activities, so to increase motivation it has to include a high dose of entertainment” [M.B., 34 years, male].

Among these three hybrid forms, infortising was not yet defined by the academic or practical literature. However, the participants outlined the necessity of the concept, and their preference for infortising messages in commercial mobile communication: “Infortising represents an advert that is manly informing you about a specific product or service instead of attempting to persuade you using humour, sex or subliminal images. Personally I would like to have more of these, especially on the mobile phone, since I do not have the time to watch an advert which does not tell me something clear about the product, its benefits or its location.” [L.D., 35 years, female].

Ultimately the main problem in using these communication functions for marketing is the lack of interactivity and consumer control: “They [the marketers] are still using the old advertising techniques, forgetting the characteristics of the new technology. A message is designed and sent to several thousand people without attempting any real targeting or interaction ... Because of this the success is so low: you receive a message that you don’t want, about the wrong product, at the

wrong moment ... They should use some filters defined by consumers; for example, sometimes I'm in the mood to watch advertainment application, like playing and advergame or something, yet other times I'm more in the infortising mood, looking for factual, precise information." [B.S., 24 years, male].

Other respondents specifically addressed the problem of permission marketing: "Asking for your permission to send you messages just does not work ..., not in the way they use it. You agree for a type of message and you're suddenly flooded by useless information sent anywhere, anytime." [D.J., 25 years, male]. The solution proposed was a customer-controlled system: "It would be ideal to have an application that gives you the possibility to ask for specific messages: you are hungry, you ask for restaurant offers and adverts, you want to see a movie, you get promotional coupons from the nearby cinemas. But it should be ultimately controlled by consumers ..." [M.V., 31 years, male].

### ***The content of commercial mobile communication***

The respondents identified three main content categories:

- Customer-centered messages: represents advertising that is highly personalized. To receive this kind of content, customers should usually develop a long-term relationship with a specific brand or company – their repeated interaction provides a wealth of information that can be intelligently used by the firm to customize the offers and the advertising messages.
- Product/service-centered messages: are the classical advertising messages that present more or less directly the characteristics and benefits of a specific product or service. The efficiency of these messages is better when the company is able to segment the market and target potentially interested consumers.
- Location-centered messages: are connected with a specific commercial location visited by the consumer. The use of these messages is made possible by the capacity of modern mobile technology to track the location of the mobile phone user, although this capability can raise personal privacy issues (Xu and Teo 2004). Another commercial application of location-track technologies is Bluetooth marketing (Haase and Martin 2008).

However, the participants indicated that an ideal mobile advertising message should include a combination of these three types of content: "Mobile advertising has the potential to combine customer, product and location-based content for the first time in advertising history. This is because mobile phones are highly personal devices and permit location tracking. If companies can identify the right product, for the right customer at the right location – they really hit the target." [J.-C.B., 27 years, male]. Other respondents were more skeptical about this possibility: "You should also introduce in the equation the customer attitude or mood ... If I am near a restaurant at lunch time, it does not necessarily mean that I am hungry, so if I receive an advert from that restaurant it can really annoy me." [F.J., 38 years, female].

Many people considered an increase of customer control and interactivity as a possible solution to enhance the effectiveness of mobile advertising: "Let's say that I am looking for a travel agency ... If I could just open my mobile phone, touch a key and say 'travel agency, holiday', and then some sort of intelligent agents recognizes my voice, identifies my location, and sends me on my mobile phone screen a map or a list of the closest travel agencies, with specific promotional offers – this is what I would call a good commercial communication." [P.M., 28 years, male].

## V. Conclusions

This study attempted to investigate the mobile phone users' perceptions regarding the existing practices of wireless advertising. Its importance stems from the danger of taking for granted the traditional forms of advertising and applying them automatically to new media channels, without any functional or content adaptations. The negative effects of this superficial application of advertising principles was repeatedly emphasized by the respondents: "You have the impression that very few people really think about how to communicate with you. They think that sending a commercial offer to anybody is called marketing, but for me this is just a waste of time and money" [L.D. 35 years, female].

The findings demonstrate the necessity of a qualitative approach in investigating mobile communication principles and application. Although previous studies have identified important variables that determine the attitude of mobile phone users' towards wireless advertising, there is still a lack of understanding of the specific needs and reactions of consumers to mobile commercial messages in real-life situations. The participants demonstrated an active attitude regarding mobile advertising, which they think it has the potential to revolutionize the practice of commercial communication, by focusing more on consumer's personal needs and circumstances. However, this cannot be realized without increasing the interactive control of mobile phone users' over the functionality and content advertising messages. Although the required technology already exists, it seems necessary to create new applications that can combine the advantages of customer-, product- and location- centered communication.

This study has a number of limitations determined by the choice and application of a specific research methodology. The findings are purely qualitative in nature, and the number of participants to the focus groups was relatively small to permit a valid generalization of findings, at national or international level. Future studies should attempt to develop this qualitative investigation and define the bases for a value co-creation strategy in which consumers are directly involved in the process of mobile communication development and application.

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