Effect of Consumer Attitude towards SMS Advertising and Demographic Features on Egyptian Consumers Buying Decision

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Abstract

These days, mobile phones have a really big role in our life. No one can imagine living without mobile. Mobile messaging and marketing is really starting to shake the marketing world’s tree. It’s direct, it’s instant and there’s a high probability that the recipient will respond to message not only read it. This study defines the factors affecting Egyptian consumer attitude toward mobile advertising and determine their relation to consumer buying decision in addition to the relationship between demographic characteristics and consumer buying decision. The study concentrates on four attributes of mobile advertising (entertainment, informative, irritation, and credibility) and three factors of demographic characteristics (gender, age, monthly income) through questionnaire that distributed for 215 consumers. Correlation analysis and multiple regressions were used to test the hypotheses. The study shown that entertainment, informative and credibility are positively correlated to overall attitude while, irritation is negatively correlated to overall attitude toward mobile advertising. Also, there’s a negative relationship between Egyptian consumer attitude toward mobile advertising and their buying decision. Finally, the study found that there is a relationship between consumer demographic features and their buying decision.

Keywords: Advertising, Mobile message, Egypt, Attitude, Buying Decision, Demographic Characteristics.

1. Introduction

In the world of business, a modern and creative advertising strategy shows an important role to improve sales of a company, building the relationship, motivating the awareness and determining the attitude of a consumer. For years, advertising has been viewed as a technique to inform, to prompt and to motivate consumers about products and services. Without advertising, a business may miss its brand equity, reputation and market share (Noor et al, 2013). The use of handheld devices in advertisement for products and services increased because of the increasing use of mobile phones and SMS created a new channel for advertising, called mobile advertising. Mobil advertising is the sending and receiving of advertisements by mobile devices (Hashim et al, 2018). Mobil advertising makes consumers to be involved with organization products information and transactional with the brand being promoted to them (Usman and Mohamed, 2012). The majority of consumers feel less bothered and more willing to mobile phone than traditional marketing, as consumers have the right to decide the applicable time and whether to read a message (James et al, 2016). Consumers are the major target of every business to satisfy their needs, number of strategies and their effect on consumer were studied. Advertisement one of the effective promotional tools of marketing mix. The growth of mobile advertising has opened a new area for research. From the related literature of previous studies, the main objective of this study is to determine the elements affecting Egyptian attitudes toward mobile advertising. Specifically, this study implements the understanding of how mobile advertising and which factors contribute to successful mobile advertising.

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And it will help marketers maximize the potential of this marketing communication medium to apply it in Egypt. Also, determine the relationship between attitudes toward mobile advertising and consumer buying decision. In addition, the relationship between demographic features and consumer buying decision. This study provides an overview of the global mobile phone industry and mobile advertising markets, particularly in Egypt.

2. Literature Review

2.1 Mobile Advertising

Mobile marketing is defined as “using interactive wireless media to provide consumers with time and location sensitive, personalized information that promotes goods, services and ideas, thereby generating value for all stakeholders” (Dickinger et al., 2004; James et al. 2016). The basic features of mobile marketing are the mobile advertisements and they can be applied to send personalized, informative, reminder or convincing advertisement messages, depending on the place, date and benefits of the consumers via mobile policies (Ene & Okaya, 2015). Mobile phone is a very personal device that lets an individual be accessed essentially anytime and anywhere, mobile advertising may take different forms and must be more personalized (Tsang et al., 2004). Marketing Science Institute has ranked the significance of mobile advertisement with regards to corporation as follows: supporting sales development, reaching consumers more quickly with direct sales, receiving feedback of a satisfied customer, data gathering opportunity about customers, performing product promotion, evaluating involved individuals and building brand awareness (Ene & Okaya, 2015). SMS marketing is a new device of introducing products and services and attractive new customers (Awan et al., 2016). SMS marketing offer high opportunity to marketer rapid response to customers, now customer take less time to think about product and just think about need and availability of money (Dost et al., 2017). Research on mobile advertising has improved in recent years due to the great ability offered by this marketing tool. Studies have shown that advertisements provided to mobile phones capture attention, motivation response action and build brand awareness. Advertisement with mobile can greatly target customers who find advertisement through mobile actually appropriate and valuable, and therefore are to be expected a respond from them by purchasing or connecting (Usman & Mohammed, 2012).

2.2 Attitudes toward mobile advertising

Kotler indicated that “an attitude is a person’s enduring favorable or unfavorable evaluations, emotional feelings, and action tendencies toward some object or idea” (Tsang et al., 2004). Effects of advertising activities are influenced by consumer attitude towards advertising message, advertising company and media. If the companies want to send their message through mobile media initial they actually need to understand how consumers perceive, estimate the mobiles as a source of advertising and what kind of attitudes consumers show (Salamah & Ma, 2017; Ene & Okaya, 2015). James et al. (2016) indicated a positive relationship between consumer attitudes toward mobile advertising and their buying decision in Vietnam. Dost et al. (2017) stated that there is positive relationship between mobile advertisement and consumer buying behavior in Entrepreneur Apparel Industry. While, Tsang et al. (2004) & Aydn (2016) stated that consumers have negative attitudes toward mobile advertising and a direct relationship between consumer attitudes and consumer behavior. Salamah & Ma (2017) showed that the majority of the respondents have a negative attitude and think that mobile advertisements are not useful in Jordan. Ene & Okaya (2015) deduced that mobile advertisement users who have different demographic criteria, might have different attitudes and behaviors. Noor et al (2013) discovered that the consumers’ attitude has a significant relationship with their intention to purchase the advertised products and services and factors such as types of products and services, price, and timing are important to know the consumer attitude to purchase. Padmanabhan & Anand (2015) found that no variance in customer attitude and customer behavior towards mobile advertising across gender. Kiat et al. (2017) concluded that performance expectancy and effort expectancy have significant positive effect on acceptance of mobile marketing, while social influence and facilitating condition do not have significant positive effect on acceptance of mobile marketing among Malaysians. Almossawi (2014) stated that attitude plays a significant role in determining consumers’ future buying behavior to use SMS advertising as well as their word-of-mouth in Bahrain.

2.3 Entertainment

Entertainment is the ability to fulfill an audience’s need for escapism, diversion, aesthetic enjoyment, or emotional enjoyment (Huq et al., 2015). Entertainment has been one of the main criteria for building an advertisement and is used as a tool to achieve attention of customers and increases the efficiency of advertising (Haider & Shakib, 2018). Entertainment plays an essential role in mobile marketing (James et al., 2016).
In mobile advertising it has been showed that a positive relationship between entertainment and consumers attitude and considered to be the most important factor that helps identify attitude toward mobile advertising (Tsang et al., 2004; Bauer et al., 2005; Huq et al., 2015; Aydn 2016; Hashim et al., 2018).

2.4 Informativeness

In informativeness can be defined as the ability of advertising to inform consumers of product and service options so that purchases leads to the greatest possible satisfaction can be made from purchasing (James et al., 2016). One of the advertising purposes is to notify the audience about new products or new features of current products and inform them any changes in products price (Huq et al., 2015). In informativeness is a valuable incentive in mobile advertising when the advertising provides users with a variety of resources and useful information (Fern et al., 2018). In informativeness affects consumers’ attitudes toward mobile advertising. Therefore, it can be found that in informativeness of mobile advertising positively effects attitude (Bauer et al., 2005; Huq et al., 2015; Kiat et al., 2017; Hashim et al., 2018; Fern et al., 2018). However, Nicolaas (2016) found that in informativeness does not influence consumer purchase behavior toward mobile advertising.

2.5 Irritation

When advertising use techniques that annoy, offend, insult, or are very manipulative, consumers are likely to recognize it as unwanted and irritating influence. Irritation has always been one of the major criticisms of advertising (Almossawi, 2014). Irritation in advertising can be termed as an advertisement that builds annoyance, unhappiness, and brief intolerance (Huq et al., 2015). Another potential annoyance is unwanted messages, regularly known as spam. Spam imposes into the recipient’s privacy and strangles consumer acceptance (James et al., 2016). Perceived irritation of mobile advertising does affect consumers’ attitudes toward mobile advertising (Tsang et al., 2004). However, Hashim et al. (2018) found that irritation has no significant effects towards attitudes and purchase intention. It can be showed that irritation negatively effects attitude toward mobile advertising (Tsang et al., 2004; Huq et al., 2015).

2.6 Credibility

Advertising credibility is consumers’ perception of the truthfulness and believability of advertising in general (Huq et al., 2015). Credibility of an advertisement is influenced by various aspects, mainly by the company’s credibility and the deliverer of the message (Chowdhury et al., 2006). Consumer will estimate the service is it actually truthful by using credibility and their knowledge to choose the advertising channel (Fern et al., 2018). Credibility plays an important part in mobile advertising. Also, the higher credibility consumers perceive, the higher advertising value increases (James et al., 2016). In mobile advertising it has been showed that a positive relationship between credibility and consumers attitude toward mobile advertising (Chowdhury et al. 2006; Huq et al., 2015; James et al., 2016).

2.7 Consumer buying decision

Consumer buying behavior refers to the approaches involved when individuals or groups choose, buy, utilize or set of products, services, concepts or experiences to fit their needs and desires (Haider & Shakib, 2018). Understanding the consumer behavior is very critical for existence and productivity of firm. Consumers are vital to organizational success and the organizations that understand them enhance the success in their business (Vishesh et al., 2018). To examine the process of consumer buying decision, the basic requirement for the marketers is to find out the questions of what consumer buy, where they buy, how and how much they buy, when and why they buy (James et al., 2016). Consumer behavior in field of mobile phones has been studied widely, indicating the importance of price, technology and brand as the major significant factors for decision-making (Vishesh et al., 2018). If the mobile advertisement will be done in an effective way, so overall behavior of the consumers would be good and his response would be more positive (Salamah & Ma, 2017). Consumers are able to make various decisions because there are variety products with many choices in every market. Buyer decision process has five steps: need recognition, information search, evaluation of alternatives, purchase decisions and post-purchase behavior (Ofosu et al., 2013). The major target of any advertiser is to positively influence consumers’ attitudes and buying behavior. Consumer attitude and intention are the focus of the Theory of Planned Behavior and the Technology Acceptance Model. Attitude forms intention, and intention forms buying behavior (Almossawi, 2014).
3. Conceptual Framework

The framework of the study is depended on the established model of consumer attitudes toward internet, web or mobile advertising (Javid et al., 2012; Chowdhury et al. 2006; Tsang et al., 2004; Le & Nguyen, 2014; James et al, 2016).

Tsang et al (2004) stated that there was a positive relationship between consumer attitude and intention toward mobile advertising. In addition, Prasad & Jha (2014) emphasized that if consumers have more intention of buying products, the more motivation to take the buying decision. Therefore, the framework is established from the previous studies and has other further factors namely demographics features. In this study, four factors entertainment, in formativeness, irritation and credibility will be used to test Egyptian consumer attitudes toward mobile advertising, after that testing their buying decision and determine the relationship between consumers’ demographic features and consumer buying decision. The conceptual framework of this study is developed and shown in figure 1.

![Conceptual Framework](image)

4. Research Hypothesis

According to problem and goals of this study, hypotheses can be formulated as following:

H1: The perceived entertainment of mobile advertising has a positive effect on attitude toward mobile advertising.
H2: The perceived informative of mobile advertising has a positive effect on attitude toward mobile advertising.
H3: The perceived irritation of mobile advertising has a negative effect on attitude toward mobile advertising.
H4: The perceived Credibility of mobile advertising has a positive effect on attitude toward mobile advertising.
H5: Consumer attitude toward mobile advertising has a significant relation with consumer buying decision.
H6: Consumers demographic features (gender, age, income) have a significant relation with consumer buying decision.

5. Data collection and sampling

This study has adopted convenience sampling method to gather survey responses. The questionnaire was used as a survey tool to gather responses. The primary data in this study consists of data recovered from a questionnaire, where information about attitudes and decision making was obtained to define behavior of Egyptian consumers when they receive advertising messages. In this study, 215 questionnaires were distributed to respondent during January 2019 and February 2019 in Alexandria to determining the customer’s attitude towards the mobile advertising. Survey items were measured on a five-point Likert scale ranging (1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree, 5 for strongly agree). The survey had three parts. The first part includes fourteen questions about attitude measures, entertainment, informativeness, irritation and credibility on a 5-point Likert scale. The second part includes two questions about behavior. The third part collected the respondent’s demographic data. The question items were mainly adapted from the instruments used by (Tsang et al. 2004; Ene & Ozkaya 2015; James et al, 2016). The data collected was analyzed using the Statistical Package for Social Sciences (SPSS version 23).

6. Analysis

Nunnally (1978) suggested that the reliability of 0.50-0.60 is sufficient, although a coefficient of 0.70 or above is desirable (Hair et al., 1998). In this research the Cronbach's Alpha coefficient was used to evaluate the reliability of the measures. The Cronbach's Alpha coefficient for all variables fall within the acceptable range as it's all range from (0.754) to (0.919). Descriptive statistics for demographics is based on gender, age, education, occupation, marital status, income.
From the whole sample (215 respondents) 40% are male and 60% female, the majority age of the respondents is less than 25 years (73%). In terms of education 40% of respondents are university graduate and 96.8% are working as administrative, executive or professional. Most of the respondents are single or engaged which is about 77.7% and in terms of income 31.2% of the respondents get more than 8000 Egyptian pounds monthly.

A correlation analysis was conducted on the four attributes of mobile advertising (Entertainment, informative, irritation, credibility) and consumer attitude toward mobile advertising. Entertainment, informative, and credibility are positively correlated to overall attitude while irritation is negatively correlated to overall attitude as shown in table 1.

Table 1: Correlation Matrix (entertainment, informative, irritation, credibility) to overall attitude toward mobile advertising

<table>
<thead>
<tr>
<th></th>
<th>Entertainment</th>
<th>Informative</th>
<th>Irritation</th>
<th>Credibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informative</td>
<td>0.692</td>
<td></td>
<td>-0.039</td>
<td>0.583</td>
</tr>
<tr>
<td>Irritation</td>
<td>0.039</td>
<td>-0.039</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credibility</td>
<td>0.583</td>
<td>0.578</td>
<td>-0.100</td>
<td></td>
</tr>
<tr>
<td>Overall attitude</td>
<td>0.599</td>
<td>0.652</td>
<td>-0.183</td>
<td>0.670</td>
</tr>
</tbody>
</table>

The result of correlation analysis for all the variables is shown in this table 1. It examines the correlation among entertainment, informative, irritation, credibility, and overall attitude toward mobile advertising. The variables significantly correlated with overall attitude toward mobile advertising were entertainment ($r=0.599, p<.01$), informative ($r=0.652, p<.01$), irritation ($r=0.183, p<.01$) and credibility ($r=0.670, p<.01$).

Table 2: Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Beta</th>
<th>t</th>
<th>Sig.</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Entertainment</td>
<td>ATMA</td>
<td>0.169</td>
<td>2.583</td>
<td>0.010</td>
<td>0.583</td>
</tr>
<tr>
<td>H2</td>
<td>Informative</td>
<td>ATMA</td>
<td>0.311</td>
<td>4.805</td>
<td>0.000</td>
<td>0.583</td>
</tr>
<tr>
<td>H3</td>
<td>Irritation</td>
<td>ATMA</td>
<td>-0.140</td>
<td>-3.093</td>
<td>0.002</td>
<td></td>
</tr>
<tr>
<td>H4</td>
<td>Credibility</td>
<td>ATMA</td>
<td>0.378</td>
<td>6.524</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>H5</td>
<td>Attitude toward</td>
<td>Consumer buying</td>
<td>-0.206</td>
<td>-3.075</td>
<td>0.002</td>
<td>0.042</td>
</tr>
<tr>
<td></td>
<td>mobile advertising</td>
<td>decision</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(ATMA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H6</td>
<td>Gender</td>
<td>Consumer buying</td>
<td>0.017</td>
<td>0.245</td>
<td>0.806</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Age</td>
<td>decision</td>
<td>0.122</td>
<td>1.740</td>
<td>0.083</td>
<td>0.018</td>
</tr>
<tr>
<td></td>
<td>Monthly income</td>
<td></td>
<td>0.039</td>
<td>0.554</td>
<td>0.580</td>
<td></td>
</tr>
</tbody>
</table>

In table 2, $R^2$ value which is 0.583 means that around 58% of the variance in attitudes toward mobile advertising can be explained by four factors (entertainment, informative, irritation, credibility). In addition, $R^2$ value is 0.042 that means around 4% of the variance in consumer buying decision can be explained by factors attitudes toward mobile advertising. Hypothesis from H1 to H4 determined factors having impacts on attitudes toward mobile advertising. Table 2 show that the four factors (entertainment, informative, irritation, credibility) were used as independent variables, and attitude toward mobile advertising was used as dependent variable. The result determined that credibility was the most significant factor of attitudes toward mobile advertising ($\beta=0.378$, sig<.05) followed by informative ($\beta=0.311$, sig<.05), entertainment ($\beta=0.169$, sig<.05) and irritation ($\beta= -0.140$, sig<.05). Therefore, hypothesis from H1 to H4 was supported. For testing H5, attitude toward mobile advertising was used as independent variable and consumer buying decision was used as dependent variable. Table 2 show that the effect of attitude toward mobile advertising ($\beta= -0.206$, sig<.05) was significant. It means that H5 was supported. As shown in table 2, $R^2$ value which is 0.018 means that around 1.8% of the variance in consumer buying decision can be explained by demographic data (gender, age, monthly income). In H6 the result determined that age was the most significant factor of consumer buying decision ($\beta=0.122$, sig<.05) followed by monthly income ($\beta=0.039$, sig<.05), and gender ($\beta=0.017$, sig<.05) that means H6 was supported.
7. Conclusion

The main objectives of this study are to determine the elements affecting Egyptian attitudes toward mobile advertising. This study implements the understanding of how mobile advertising and which factors contribute to successful mobile advertising. As empirical data confirmed that all four factors of mobile advertising (entertainment, informative, credibility, irritation) affect consumers’ attitude and among them credibility is the most effective factors. Similar finding has also been found by Chowdhury et al. (2006), while Bauer et al. (2005), Tsang et al. (2004) and Hashim et al. (2018) stated that entertainment is the strongest factors that affect respondent attitude toward mobile advertising. Marketers need to increase the entertainment of mobile advertisements through interactive games and prizes to the customer’s cell phone to attract and keep customers. Also, the fascinating format, will attract customer’s responsiveness and make them accept the advertisement. In addition, entertainment, informative and credibility have positive effect on attitudes toward mobile advertising, while irritation has negative effect on attitude toward mobile advertising. Similar finding has also been found by Chowdhury et al. (2006), while Bauer et al. (2005), Tsang et al. (2004), Javid et al. (2012), Fern et al. (2018) and Hashim et al. (2018).

Finding also indicate that attitude toward mobile advertising have negatively effect on Egyptian consumer buying decision. While James et al. (2016) found that attitude toward mobile advertising has positively effect on Vietnamese consumer buying decision. The negative effect founded in Egypt may be due to income level and standards of living. In addition, it may be because of natural of the advertising message such as trust and clearance. So marketers need to ensure that advertising message are clear, have correct relevant information such as offers, gift, brand, and location to gain consumer trust. In case of demographic data age has the most effect factor on consumer buying decision followed by monthly income and gender. In contrast, James et al. (2016) stated that demographic data have no impact on Vietnam consumers’ attitude toward mobile advertising and consumer buying decision. There are some limitation and suggestion for future research. The study was applied only in Alexandria, Egypt with a limited sample size. Because of the limited sample size, the results may not be generalized. Thus, further research is required to consider a larger sample size. In the same time the study considered only age, monthly income and gender so in future study other demographic characteristics could be considered. Future research can develop new factors to measure attitudes toward mobile advertising in order to investigate more about the nature of mobile advertising.

References


