Chapter IX

British Consumers’ Attitudes and Acceptance of Mobile Advertising

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ABSTRACT

This wireless advertising is considered to be an important alternative advertising medium in the future, due to its numerous advantages over traditional media. However, little research has been conducted on consumer acceptance of this medium in particular, in the United Kingdom. This study explores consumers’ attitudes towards and acceptance of mobile advertising, using focus group interviews. Results indicate that British consumers generally do not accept mobile advertising. Although mobile adverts are seen as interesting, eye catching, and motivating consumers to browse. Consumers who accept the technology do not see the need to have adverts on their mobiles. Those who dislike this medium are comfortable with using the Internet through their PCs as they do not see the benefits of mobile advertising, due to its small screen and speed limitation. Managerial considerations are also discussed.
INTRODUCTION

Rapid development of technology has brought the possibility of mobile phone to be used as an advertising device. Almost half of the population in every country in the developed world possesses mobile phones (Bigelow, 2002). The number of customers using mobile phones is higher than internet users, which is estimated at 465 million people and 365 million people respectively worldwide (Yunos et al., 2003). This means that mobile ads can cover more consumers than the internet.

The advance of technology has converged so that the internet can be accessed by mobile telephony. This technology has been very successful in Japan. In 1999, it witnessed the launch of a product called ‘I-mode’ from the largest mobile operator, NTT DoCoMo. I-mode offers a broad range of internet services, including email, transaction services such as ticket reservation, banking and shopping, as well as infotainment and directory services. In January 2004, there were 44.7 million ‘I-mode’ subscribers (Okazaki, 2004).

From a marketing point of view, this medium brings several advantages. Firstly, advertising messages can be delivered anytime and customers will always get the messages. Secondly, because of its mobility and time sensitivity adverts on location-based can be broadcasted, such as where the nearest restaurant is to their targeted customers. In addition, interactivity and advanced personalisation provides an opportunity to target and customise messages to individual customer with a high level of confidence that they will reach their intended audience. But the most important benefit is its ability to accurately hit the targeted customers. However, a major weakness is the limited screen size when compared to PCs it has limited space available to display a message and hence, the advert (Yunos et al., 2003, Hardaker and Graham 2001). Transmission speed is another issue which reduces advertising impact. Users might cancel, delete, or ignore a wireless access page that loads ads too slowly (Yunos et al., 2003). Several technologies such as 2.5G and 3G have addressed this issue (Browless, 2001). Nevertheless, following the success of wireless advertising in Japan, global wireless advertising revenue is predicted to grow from $750 million in 2001 to $16.4 billion by 2005. Europe, the Asia-Pacific and North America are expected to be the core markets, with wireless advertising revenue of $5.98 billion, $4.71 billion and $4.56 billion respectively in 2005 (Barnes, 2002). However, without the consumer acceptance of the medium, its success may not be predetermined. To-date, little research has been conducted on consumers’ attitudes and acceptance of wireless advertising especially, in the UK. This study explores consumers’ attitudes in relation to mobile advertising.

A review of literature is presented on attitudes towards advertising, web advertising followed by a description of the methodology, results, discussion and recommendation.

ATTITUDES TOWARDS ADVERTISING AND WEB ADVERTISING

Early research on attitudes towards advertising indicates that consumer beliefs play an important role in their attitudes towards advertising (e.g. Bauer and Greyser, 1968; Pollay and Mittal, 1993; Ducoffe, 1995). MacKenzie and Lutz (1989) have developed a five construct model of beliefs for attitude. However, Tramifow and Fisbein (1994, 1995) argue, that consumers’ attitudes towards advertising are not only influenced by their beliefs but also, their emotion/feeling or affective which, will influence their behaviour.

Lund et al. (2002) using Pollay and Mittal’s (1993) belief’s construct as a component to explain attitude but also found education, age and income to have an influence on behaviour. Their findings indicate the belief factors—product information, hedonic pleasure, and social role and