Chapter 2

Does Anybody Read SMS—Advertising?
A Qualitative and Quantitative Study of Mobile Users’ Attitudes and Perceived Ad—Clutter

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ABSTRACT
This study explores mobile users’ perceptions about SMS advertising. The empirical study uses a double methodology. First, a qualitative study using the Q-method is conducted. Qualitative analysis reveals that negative attitudes are commonly shared, and that ad-clutter is perceived critically. Therefore, in a second step, a quantitative study is adopted to assess the impact of attitudes towards SMS advertising and perceived ad-clutter on reading behaviour. The main test is conducted over a representative sample of 302 mobile owners. From a behavioural standpoint, the results show ambivalent behaviour in most cases. In particular, the role of perceived ad-clutter is ascertained. Implications for practice and directions for future research are discussed.

INTRODUCTION
“SMS ads? Nobody reads them!” This assertion seems taken for granted in public opinion. And yet, marketers still consider it a promising marketing and advertising avenue. SMS—short message service—advertising is part of the larger picture of mobile advertising, which is defined as “a form of advertising that is communicated to the consumer/target via a handset. This type of advertising is most commonly seen as a Mobile Web Banner, Mobile Web Poster…/…. Other forms of this type of advertising are SMS and MMS ads, mobile gaming ads, and mobile video ads” (MMA Global, glossary version 068). A definition of SMS advertising is provided by Barwise and Strong (2002), who describe it as a “text-based advertisement on cell phone”. Although unsophisticated, text messaging has “found itself centre stage in contemporary social
Global mobile advertising spending is expected to reach $2.4 billion in 2009, up from $1 billion in 2008 (strategyanalytics.com, August 2008). Similar research from eMarketer goes much further by accounting for the growing economies of Brazil, Russia, India, and China. It expects total mobile advertising expenses (including creative, IT, and other related spending costs) to reach $6.44 billion in 2009, rising to $19.15 billion in 2012 (emarketer.com). In this context, SMS appears to be the most attractive medium for advertising (Mobile Marketing Association, MMA, 2009), along with Multimedia Message Service (MMS). Whatever the exact figures, they demonstrate high expectations. Average response rates are considered to be high (around 10%) (Nokia Network, 2008), which is far better than alternative media but also means that 90% of these messages get no response from mobile users. That is why it is crucial to understand users’ reactions to mobile phone advertising and, more specifically, to its main form: SMS advertising.

Taking into account the type of ad (simple versus rich text) and the pull- or push-orientation of the campaign (whereas push message are unidirectional messages, pull messages call the receiver to action), Barnes (2002) indicates that SMS is a simple ad tool that is preferentially used in push marketing. Despite its basic and push characteristics, SMS entails several advantages from both the consumer and marketing standpoints. From the marketer’s point of view, SMS is a fairly cheap means of contact. The automation of a campaign makes it easy to distribute messages to the target audience. Even if there is some delay in message delivery, up to 6 hours according to Scharl et al. (2005), the technology is considered reliable and rapid. Two other characteristics of interest are time and space independence, in the sense that there is no restriction on the time when SMS are sent and geographical distance is not an issue—SMS can be sent to anywhere from anywhere in the world. This means that a campaign can be launched at any time (although certain experts consider the time of sending to be important, Scharl et al., 2005) and will be received wherever the consumer may be. From the consumer’s standpoint, SMS has the potential to be well accepted, provided that advertisers have received permission to send the ads. So, once consent is granted to the sender, consumers will receive messages supposedly tailored to their needs. SMS messaging is nonintrusive, as people are not obliged to answer immediately; it leaves consumers free to discover the message where and when they want. As messages are short by nature, the consumer may not feel overwhelmed by SMS advertising. With SMS messages, a consumer is not forced to engage in social interaction, as is the case with telephone campaigns.

These advantages are clearly recognised by firms and other multinational actors as an opportunity to build their brands (Okazaki & Taylor, 2008). However, their hopes can be realised only if consumers accept SMS advertising, read it, and perceive it positively. It is therefore of primary importance to understand consumer perceptions of SMS advertising. The number of research articles dealing with mobile marketing and advertising has increased tremendously since 2002. However, to the best of our knowledge, few qualitative studies of the perceptions of SMS advertising are available. At the same time, informal observations often yield conflicting conclusions about consumer acceptance of SMS advertising. An in-depth study of consumer subjectivity about SMS advertising is thus needed to guide further investigation.

The present study delivers qualitative knowledge about SMS advertising perceptions. It emphasises not only the role of attitude, which is a classical variable in the study of behaviour, but also the role of perceived ad-clutter, a variable originating from the field of advertising research and defined as the belief that the amount of advertising is unwarranted. The remainder of the paper is organised in four main parts. First, it reviews the available literature about mobile and