

The Impact of Egyptian Youth Consumers Attitude on the Acceptance of Mobile Phone Advertisements

Ehab Abou Aish

Associate Professor

Business Administration Department

Faculty of Commerce

Cairo University, Egypt

The Impact of Egyptian Youth Consumers Attitude on the Acceptance of Mobile Phone Advertisements

Abstract

The fast diffusion of mobile phones among the Egyptian consumers in general, and the youth segment in particular, accompanied by the development in its technologies and the growth in advertising spending worldwide, call for extensive investigation to the usage of mobile phones in advertising. This research aims at offering better understanding for the factors affecting the Egyptian youth consumers attitude towards mobile advertisements, identify how the Egyptian consumers' adoption decision is influenced by the attitude as well as investigating the moderating role of gender on such relationship. This research depended on mixed research design, through in-depth interviews and structured self-administrated survey with a sample of 214 respondents. The research findings show that perceived entertainment is the most important dimension to the Egyptian youth consumers' attitude towards mobile phone advertisements and there is significant impact of four dimensions of attitude on the consumers' acceptance of mobile phone advertisements. The paper ends with a number of academic and managerial implications.

Key Words:

Mobile Advertisements, Attitude to Mobile Advertisements, Acceptance, Young Consumers, and Egypt.

Introduction

With the penetration rate for mobiles in Egypt reaching 112.7% in March 2012 with 92.9 million subscribers and annual growth rate of 18.5% (MCIT, 2012), moreover with a \$500 Billion worldwide spending on advertising in 2011 (Reese, 2012), and a £203.2 million spending on mobile phones advertisements only in UK in 2011 (IAB, 2012), the importance of mobile phones as advertising tool intensify. Attitude had been investigated as one of the major influences on the consumers' response in general and towards mobile phone advertisements in particular (see for example; Becker, et al., 2006; Vatanparast and Asil, 2007; Khan & Allil, 2010; Alalak and Alnawas, 2010; Saadeghvaziri and Seyedjavadain, 2011).

Furthermore, the importance of the youth segment is indisputable, as Narang (2011) argued that such age segment is the main segment fueling the growth in less developed countries with their purchasing power. Other researches confirmed this and pointed out that their spending in USA expected to reach more than \$208 billion on 2011, despite the decline in this segment population and the recession (Packaged facts, 2007) and they could be classified as global consumers, sharing similar characteristics worldwide (Cleveland and Laroche, 2007).

This research has twofold objectives; firstly to investigate the attitude towards mobile phones advertisements, secondly to examine the attitude impact on the Egyptian youth consumers' acceptance of mobile phones advertisements.

Literature Review

The concept of mobile advertising is about any form of marketing, advertising or sales promotion activity aimed at consumers and conducted over a mobile channel (Saadeghvaziri and Seyedjavadain, 2011). Marketing over mobile phone increased dramatically since the new millennium with the growth in the Short Message Service (SMS), as organizations started to send content to consumers over mobile phones (Pousttchi and Wiedemann, 2011). Apart from the fact that mobile phones advertisements represent a tiny piece of all other digital advertisement, but the growth in mobile phones penetration promotes its usage in advertising and expected to grow to represent 10% of the digital advertising market (Harter et al., 2010).

Literature emphasized the idea that although the intentional behaviour is dominated by attitude toward the behaviour, subjective norms and perceived behavioural controls but the key role is for the attitude (Ajzen, 1991). On the other hand, an extensive literature exists on consumers' acceptance models, starting with the Technology Acceptance Model "TAM" (Davis, 1989), which focused on the dimensions of perceived usefulness, perceived ease of use as well as other external variables. Innovation Diffusion Theory "DIT" (Rogers, 1995), focused on the impact of relative advantage, compatibility, complexity, trialability and observability as key factors for the consumers' acceptance. Finally, Venkatesh et al. (2003) introduced the Unified Theory of Acceptance and Use of Technology (UTAUT), in which they argued that the intentional response is based on; performance expectancy, effort expectancy, social influence and facilitating conditions, while at the same time the relationship between these factors and the intentional response is moderated by gender, age, experience and voluntariness of use.

Literature on attitude towards mobile phones advertisements included; Becker, et al. (2006) who introduced a model for the factors affecting attitude towards mobile advertisements, arguing that these factors are; Perceived Entertainment of Mobile Advertisements, Perceived Informativeness of Mobile Advertisements, Perceived Irritation of Mobile Advertisements and Perceived Credibility of Mobile Advertisements. While other researches focused on investigating one or more of these factors affecting the attitude towards mobile phone advertisement as well as adding to it other factors. Table (1) presents the key researches on attitude towards mobile phones advertisements. While other researches tried to emphasis other dimensions of the consumers' response rather than attitude like; perceived usefulness subjective norms (Bauer et al., 2005), (Varnali, and Toker, 2010), advertisements appeals (Drossos, et al., 2007) and perceived control (Bauer et al., 2005).

Moreover, literature discussed frameworks aimed at explain the reasons for consumers' response towards mobile phone advertisements, including; Vatanparast and Asil (2007) explained that there are four main reasons for the consumer's decision to accept mobile advertisements. These reasons are; message (content, creditability and customization), media (price and policy) consumer (privacy, purpose and performance), and device (interface, interactivity and intelligence). Karjaluoto et al. (2008) grouped the dimensions affecting the consumers' acceptance of mobile

advertisements in; utility, context, control, sacrifice, and trust. Finally, Khan and Allil (2010) introduced their model for Mobile Advertising Adoption. They argue that the acceptance of mobile phone ads based on six main variables, which are; attitude toward mobile advertisements, subjective norm for mobile advertisements, perceived usefulness of mobile advertisements, compatibility with mobile advertisements, controlling mobile advertisements, and awareness of mass advertisements.

The problem with these frameworks is that due to the complexity of the issue of factors affecting consumers' response to the mobile advertisement, as it has a large number of variables affecting it, the different frameworks depended on collecting the variables in the literature rather than following the grounded model development procedures in developing a comprehensive framework for the phenomenon, i.e. combining qualitative and quantitative approaches (Deshpanda, 1983), which resulted in reducing the completeness of these frameworks. On the other hand studying individual factors offers just a partial view to the phenomenon, which again call for a grounded model following the theory development procedures.

Table (1) Key factors of attitude towards mobile phones advertisements

Factor	References	Variables
Perceived Informativeness	Soberman, 2004; Saadeghvaziri and Seyedjavadin, 2011	Contents of the advertisement
Perceived Credibility	Wiedemann et al., 2008, Saadeghvaziri and Seyedjavadin, 2011	Familiarity and trust in the sender
Monetary Benefit	Bojin and Ian, 2006; Xu 2006	Rewards for receiving messages
Perceived Entertainment	Pietz and Storbacka, 2007; Saadeghvaziri, and Hosseini, 2011.	Being funny and amusing
Perceived Irritation	Carroll et al., 2007; Suher, and Ispir, 2009	Offensiveness, privacy and timing of ads
Personalization	Xu 2006; Al-alak and Alnawas, 2010	Relevance and choice of the receiver
Attitude towards mass media	Al-alak and Alnawas, 2010; Khan and Allil (2010)	Feelings and thoughts of advertisement

The previous review for the literature highlighted the main research gap this research tries to bridge. Firstly, the scarce in investigation of culturally-different countries, i.e. this research focus on investigating non-Arab countries, which confirmed to have culture difference from the other previously investigated American,

European and Far East countries (Hofstede, 1983). Secondly, the problem of most of the previous researches in depending on a representative sample of the population apart from the internal differences in the attitude of the different age segments within the sample, leading to inconsistent results. This research investigates an important but ignored segment of the consumers, which is the Egyptian youth segment.

Methodology

The argument that business research should depend on the “Mixed Research Method” approach, which combines qualitative and quantitative research methods to overcome the weakness of each approach, and benefit of their strengths, had been documented in the literature (Deshpanda, 1983; Strauss and Corbin, 1999), This research followed this approach in designing the research, as the research started with the qualitative phase, which took the form of semi-structured interviews, by interviewing a sample of eight youth customers. The interviews supported the importance of the discussed variables in the literature, but questioned the significance of the monetary benefits as it is not applicable in Egypt. This result for the interviews support the validity of the dimensions and frameworks presented in the literature (Churchill, 2010).

The quantitative approach depended on a cross-sectional survey via a structured, self-administered questionnaire for a sample of Egyptian youth. The questionnaire depended on valid and reliable scales used previously on the literature. Table (2) presents the sources of the sale items. A Non-probability convenience sample from Egyptian youth, aging between 16 to 24 years, was used as this type of sample is more appropriate in Arab countries (Al-Katib et al., 1997). A completed 214 questionnaires were collected. The research objectives could be achieved using this sampling type and size (Bartlett et. al., 2001; Hair et al., 2010).

Table (2) Scale items and its Cronbach’s Alpha coefficients

Dimension	Reference	No. of Items	Alpha coefficient
Perceived Informativeness	Soberman, 2004	3	0.747
Perceived Credibility	Wiedemann et al., 2008	2	0.761
Monetary Benefit	Xu, 2006	2	0.634
Perceived Entertainment	Pietz and Storbacka, 2007	2	0.723
Perceived Irritation	Suher, and Ispir, 2009	2	0.802
Personalization	Al-alak and Alnawas,	4	0.832

	2010		
Attitude towards Mass Media	Al-alak and Alnawas, 2010	2	0.719
Mobile Advertising Acceptance	Bauer et al. 2005	3	0.886

Results and Discussions

Reliability of the scale items had been assessed using Cronbach's alpha coefficient, Table (2) presents the results, which show high reliability for the scales used (Hair et al., 2010). The sample had 137 males (64%) and 77 females (41%), which indicated that the sample is biased towards males. as the actual gender split of the population is 51% males to 49% females (CAPMS, 2010).

Table (3) presents the results related to the first research objective regarding indentifying the level of importance of the different attitude dimensions and whether the cognitive or the affective factors are more impotent. The most important dimensions of the attitude towards mobile phones advertisements for Egyptian youth were perceived entertainment, attitude towards mass media and perceived irritation, these results are in line with the results of Waldt et al. (2009) who found that entertainment and irritation are the most two important for south African youth. On the other hand the least important dimension was monetary benefits, and this could be justified based on the fact that it is not offered in Egypt. Unlike other researches (Tsang et al., 2004; Xu, 2006), which highlighted the importance of on the perceived creditability, the perceived creditability had a moderate importance for the Egyptian youth, this could be justified based on the age of the sample, as younger ages tend to be affected more by their feelings and emotions (affective) rather than information and beliefs (cognitive) (Hawkins and Mothersbaugh, 2010). This is additionally confirmed by the results of importance level of the cognitive dimensions (3.53) (Informativeness, Benefit and Credibility) compared to the affective dimensions (3.88) (Entertainment, Irritation, Personalization and Attitude towards mass media)

Table (3) Rank of Importance for Attitude towards mobile advertisements

Dimension	Mean	Rank
Perceived Informativeness	3.67	5
Perceived Credibility	3.84	4
Monetary Benefit	3.07	7
Perceived Entertainment	4.12	1
Perceived Irritation*	3.95	3

Personalization	3.41	6
Attitude towards mass media	4.02	2

* Scale had been reversed

To achieve the second research objective, i.e. identify the impact of the seven main attitude dimensions on the acceptance of mobile phones advertisements, regression analysis was recommended to be used (Hair et al, 2010). Table (4) presents the results, confirming the significant relationship between four of the attitude dimensions and the acceptance, and indicating that 28% of the overall acceptance decision could be justified based only on the attitude. Only the Perceived Entertainment, Perceived Informativeness, Perceived Credibility and Perceived Irritation were found to have a significant impact on the acceptance of mobile phone advertisements, while Monetary Benefit, Personalization and Attitude towards mass media. These results are in line with most of the results in the literature (Tsang et al., 2004; Xu, 2006; Waldt et al., 2009). The low level of the justification power in the purchase intentions based on the four celebrity endorser characteristics could be attributed to the fact that acceptance is a complicated dimension where lots of other variables in addition to the attitude affecting it (Venkatesh et al., 2003).

Table (4) Regression results for Justice Dimensions and Perceived Fairness

Dependent Variable	Independent Variable	B	t	Sig	R2
Acceptance	Informativeness	0.190	4.301	0.004	0.28
	Credibility	0,186	4.206	0.016	
	Monetary Benefit	0.006	0.135	0.194	
	Entertainment	0.203	4.581	0.000	
	Irritation	0.147	3.236	0.001	
	Personalization	0.017	0.343	0.343	
	Attitude towards mass media	0.023	0.524	0.261	

Finally to investigate the moderating effect of the gender on the relationship between the attitude towards mobile phone advertisements and consumers' acceptance, the partial correlation technique had been used to measure such moderating effect (Hair et al., 2010). The results did not support a significant moderating effect for gender on such relationship. These results are in line with Saadeghvaziri and Seyedjavadain, (2011) which did not find any significant impact

for the consumers' demographics on the attitude towards mobile phone advertisements except for those self-employed.

Table (5): The moderating effect of gender on the attitude-acceptance relationship

Control Variable	Dimension	Partial correlation	
		Value	Sig.
Gender	Attitude toward mobile advertisements	0.072	0.341
	Acceptance		

Conclusion and Recommendations

This research confirmed that Perceived Entertainment dimension is the most important dimension to the Egyptian youth consumers' attitude towards mobile phone advertisements. This research also shows that the affective component of the attitude is more important than the cognitive component. The results also confirmed a significant impact of four dimensions of attitude on the consumers' acceptance of mobile phone advertisements with no difference between males and females.

When targeting Egyptian youth with mobile phones advertisements marketers are advised to make such advertisements highly entertaining and at the same time not irritating for them especially with respect to having a prior permission for the consumers before sending these advertisements. Marketers are also advised to profile the chosen segment that is going to receive the advertisements very well as the information in the advertisement plays a key role in acceptance of mobile advertisements. Finally, as the creditability of the source of the message proved to have significant impact on the consumers' acceptance, marketers are advised to depend on opinion leader to spread the mobile advertisements though offering them certain rewards and incentives in order to increase the trust in the advertisement, hence develop higher acceptance for it.

Finally, several opportunities for future research exist for this topic; firstly, developing a grounded model for the consumers' acceptance of mobile phone advertisements, secondly comparing between the effectiveness of different types of digital advertisements in order to identify the best approach to achieve the desired response. Thirdly, investigating and comparing different context, i.e. other age segments of the society and different types of products. Finally, other types of

responses as well as the actual rather than the intentional behavior should be investigated longitudinal rather than cross sectional research methodology.

Reference

- Ajzen, I (1991), The Theory of Planned Behaviour, *Organization Behaviour and Human Decision Processes*, 50, 179-211.
- Al-alak, B. and Alnawas, I. (2101), Mobile Marketing: Examining the Impact of Trust, Privacy Concern and Consumers' Attitudes on Intention to Purchase, *International Journal of Business and Management*, 5, 3, 28-31
- Al-Khatib, J. Vitell, S. and Rawwas, M. (1997), *Consumer ethics: a cross-cultural investigation*, *European journal of marketing*, 31, 11/12, 750-767.
- Bauer, H. H., Barnes, S., Reichardt, T., and Neumann, M. M. (2005), Driving Consumer Acceptance of Mobile Marketing: A theoretical framework and empirical study'. *Journal of Electronic Commerce Research*, 6(3), 181-192.
- Becker, M., Hanley, M. and Martinsen, J. (2006), Factors Influencing Mobile Advertising Acceptance: Will Incentives Motivate College Students to Accept Mobile Advertisements?, *International Journal of Mobile Marketing*, 1(1): 50-58.
- Bojin, P, and Ian S (2006), Mobile Marketing the Chinese Perspective. *International Journal of Mobile Marketing*, 1, 2, 50 - 59
- CAPMS, Central Agency for Public Mobilization and Statistics (2010), Retrieved on December 2010, <http://www.capmas.gov.eg/pages_ar.aspx?pageid=501>
- Carroll A, Barnes SJ, Scornavacca E, Fletcher K (2007). Consumer Perceptions and Attitudes towards SMS Advertising: Recent Evidence from New Zealand. *International Journal of Advertising*, 26, 1, 79-98.
- Churchill, G. and Iacobucci, D. (2010), *Marketing Research: Methodological Foundation*, The Dryden press, NY
- Cleveland, M., Laroche, M. & PapAdsopoulos, N. (2009). Cosmopolitanism, Consumer Ethnocentrism, and Materialism: An Eight Country Study of Antecedents and Outcomes. *Journal of International Marketing*, 17, 1, 116-146.
- Davis, D. (1989), Perceived usefulness, perceived ease of use and users acceptance of information technology, *Management information Systems Quarterly*, 13, 3, 318-339
- Deshpanda, R. (1983), Paradigms lost: on theory and method in research in marketing, *Journal of Marketing Research*, 47, Fall, 101-110.
- Drossos, D., Giaglis, G. M., Kokkinaki, F., Lekakos, G. and Stavraki, M. G. (2007), Determinants of Effective SMS Advertising: An Experimental Study, *Journal of Interactive Advertising*, 7, 2, 1-23.
- Hair, J., Black, W., Babin, B. & Anderson, R. (2010). *Multivariate Data Analysis: A global perspective*, New York: Pearson Education.
- Harter, G. Peladeau, P. Halaoui, H and Toumi, M. (2010), The Battle for Mobile Advertising A Winning Strategy for Telecommunications Operators, Booz & Company, Retrieved on July 2010, http://www.booz.com/media/uploads/The_Battle_for_Mobile_Advertising.pdf
- Hawkins, D. Mothersbaugh, D. (2010), *Consumer Behaviour; Building Marketing Strategy*, Irwin, Boston.
- Hofstede, G. (1983), Dimensions of national cultures in fifty countries and three regions, In Deregowski, S. et al (Eds.) (1983), *Explications in Cross-Cultural Psychology*, Swets and Zeitlinger, Netherlands, 335-355.
- IAB (Internet Advising Bureau), (2012) Mobile advertising spend more than doubles to £203 million, Retrieved on April, 2012, <http://www.iabuk.net/about/press/archive/mobile-advertising-spend-more-than-doubles-to-203-million>
- Karjaluoto, H., Standing, C., Becker, M., and Leppaniemi, M., (2008), Factors affecting Finnish consumers' intention to receive sms marketing: A conceptual model and an empirical study. *International Journal of Electronic Business*, 6, 3, 298-318.
- Khan, M and Allil, K. (2010) 'Determinants of Mobile Advertising Adoption: A Cross-Country Comparison of India and Syria, *International Journal of Mobile Marketing*, 5, 1, 41-59.

- MCIT (Ministry of Communication and Information technology, (2012), Retrieved on April, 2012, http://www.mcit.gov.eg/Upcont/Documents/Publications_2052012000_Eng.pdf
- Narang, R (2011), Examining the role of various psychographic characteristics in apparel store selection: a study on Indian youth, *Young Consumers*, 12, 2, 133-144.
- Packaged facts (2007), Retrieved on 23 March, 2011, Teen and Tween Grooming Products: The U.S. Market <http://www.packagedfacts.com/catalog/search.asp?query=teen+spending>.
- Pietz, M., & Storbacka, L. (2007). Driving advertising into mobile mediums study of consumer attitudes towards mobile advertising and of factors affecting on them. Retrieved on December 2010, <http://www.essays.se/essay/679daabd76/>
- Pousttchi, K.& Wiedemann, D. (2011) *Handbook of Research on Mobile Marketing Management. USA: IGI Global, USA.*
- Reese, S. (2012), Quick Stat: Advertisers Will Spend \$500 Billion in 2011, Retrieved on February 2012, <http://www.emarketer.com/blog/index.php/tag/worldwide-ad-spending/>
- Rogers, E. (1995), *Diffusion of Innovation*, The Free Press, NY
- Saadeghvaziri, F. and Seyedjavadin, S. (2011) Attitude toward Advertising: Mobile Advertising Vs Advertising-in-General, *European Journal of Economics, Finance and Administrative Sciences*, 28, 104-115
- Saadeghvaziri, F. and Hosseini, H. (2011), Mobile advertising: An investigation of factors creating positive attitude in Iranian customers, *African Journal of Business Management*, 5, 2, 394-404,
- Soberman, D. (2004), Additional Learning and Implications on the Role of Informative Advertising, *Management Science*, 50, 12, 1744-1750.
- Suher, H. and Ispir, N. (2009), SMS Advertising In Turkey: Factors Affecting Consumer Attitudes, *Selcuk Universitesi Sosyal Bilimler Enstitusu Dergisi*, 21, 448-459, Retrieved on December 2010, <http://www.sosyalbil.selcuk.edu.tr/dergi/sayi21/SUHER.%20HASAN%20KEMAL%20VD..pdf>
- Tsang, M. M., Ho, S. and Liang, T. (2004), Consumer attitudes toward mobile advertising: An empirical study, *International Journal of Electronic Commerce*, 8, 3, 65–78.
- Varnali, K. & Toker, A. (2010), Mobile marketing research: The-state-of-the-art, *International Journal of Information Management*, 30, 144-151.
- Vatanparast, R., Asil M., (2007), Factors Affecting the Use of Mobile Advertising. *International Journal of Mobile Marketing*, 2, 2, 21-34.
- Venkatesh, V. Morris, M. Davis, G. and Davis, F. (2003), users acceptance of information technology toward a unified view, *Management information Systems Quarterly*, 27, 3, 425-478
- Waldt, D. Rebbello, T. and Brown, W. (2009). Attitude of young consumers toward SMS advertising. *African Journal of Business Management*, 3, 9, 444-452.
- Wiedemann, D. Haunstetter, T. and Pousttchi, K. (2008). Analyzing the Basic Elements of Mobile Viral Marketing. An Empirical Study, *Proceedings of the 7th International Conference on Mobile Business* Barcelona University, Spain.
- Xu, D. (2006), The influence of personalization in affecting consumer attitudes toward mobile advertising in China, *Journal of Computer Information Systems*, 47(2), 9-19.

Central Bank Of Egypt," Demand for Broad Money (M2) in Egypt: Stability Testing and Monetary policy Implications", *Economic Review* , Vol . 50 , No . 3 , 2009/2010.

Halicioglu, F., and Ugur,M.(2005) " On Stability of the Demand for Money in a Developing OECD Country: The Case of Turkey" ,*Global Business and Economic Review* , Vol.7,No. 3,September 2005.

Ozturk, I.,& Acaravci, A., " The Demand For Money In Transition Economies", *Romanian Journal of Economic Forecasting* -2/2008, pp 35- 43 .

Sloman , J., " *Economics*" , Harvester Wheatsheaf , London , 1991, p . 622.

Soto, R., and Tapia, M., "Seasonal Co integration And The Stability Of The Demand For Money ",*Central Bank of Chile Working Papers*, No 103, Julio 2001.

Tahir .J., " Recent Developments In Demand For Money Issues: Survey Of Theory & Evidence With Reference To Arab Countries ", *Economic Research Forum*, working paper9530, 1995.

Valadkhani, A., " Long- and Short-Run Determinants of the Demand for Money in the Asian-Pacific Countries: An Empirical Panel investigation", *Annals of Economics and Finance* 9-1, 77-90 (2008) .

Valadkhani, A., & Alauddin,M., " Demand for M2 in Developing Countries: An Empirical Panel Investigation" *Discussion Papers in Economics, Finance And International competitiveness* , No. 149, July 2003, pp1-27.