Driving advertising into mobile mediums

“Study of consumer attitudes towards mobile advertising and of factors affecting on them”
Abstract

The high penetration rate of mobile phones along with the recent technological development has created a whole new marketing medium named mobile advertising filled with possibilities for the advertisers. Earlier studies have although indicated the success of this new advertising channel to depend on user acceptance of receiving mobile ads. Wherefore a study of consumer attitudes towards mobile advertising can be considered necessary in order to create a lucrative business. Even though this topic is relatively new several studies have already been gathered concerning user attitudes towards mobile advertising, mostly in Asian countries. Our paper aims to fill up the research gap by targeting the research to young adults in Sweden and providing thus with a study on young adult attitudes towards mobile advertising and the factors affecting them, in Sweden.

To be able to see if any relation between existing literature and empirical data exists four hypotheses have been constructed. This paper has identified user acceptance of advertising, user-based characteristics, advertising characteristics, as a well as mobile service characteristic to be main consumer acceptance drivers of mobile advertising. The four hypotheses set up for the paper could be confirmed with the help of a Pearson correlation test, which showed a significant relationship between all tested variables and a weak positive correlation. The relations are though weaker than the previous literature declares. Further results of this paper indicates that users are in general negative towards mobile advertising, and that permission and incentive based services most likely are to influence consumer attitudes towards the service.
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1 INTRODUCTION

1.1 Problem introduction

In this section we aim to give a grasp view of the theoretical and empirical backgrounds to mobile advertising. The Empirical background will cover the technological development that has enabled advertisers the use of a whole new marketing medium named mobile advertisement. The theoretical background will cover a more complete definition and use of this new medium. The theoretical background will also end with a problem recognition connected to this new medium that also stands in front to our problem statement.

1.1.2 Empirical background

The recent technological development has provided organizations with new ways of doing their business. These are the electronic business or electronic commerce provided to the organizations thanks to the growth of Internet. E-commerce is defined as the delivery of goods/services or payments via networks, application technology towards automation of business transactions, and as a tool for increasing business efficiency and for cutting costs. The Internet user rate has grown from approximately 500 million in 2001, to about 1 billion by 2004. The Internet has enabled organizations with new digital methods in their supply chain that has escorted to higher customer satisfaction and to an operation performance improvement. The Internet is seen today as an important channel for e-commerce activities like selling and marketing of services and goods. Companies not using this opportunity are described to be in danger of losing their business competitiveness. E-commerce provides the consumers with an effective tool to search and compare prices, while companies can cheaply and easily change their prizes on the web.

5 Yen, B. P-C. & Ng, E. O. S. (2003)” The Migration of Electronic Commerce (EC): from Planning to Assessing the Impact of EC on Supply Chain”, 656
Further the technological development has as well as the rapid growth of mobile phone users around the world now enabled the creation of a whole new approach of e-commerce named mobile commerce (m-commerce), which is explained to be the second wave of electronic commerce. The opportunity for mobile commerce is huge because there are three times as many phone users in the world as those who use online PC. The alluring feature of mobile commerce industry is also that the users can be reached almost anywhere at anytime. Although the capability of mobile technology is not yet fully understood today the global projected revenue for the business is predicted to be $ 88 billion per year by 2009. Mobile commerce has been defined as an interaction between organizations and consumers where the service is accessed via a mobile device. These services are delivered to the consumers via text applications such as short messaging (SMS), e-mail (I-mode application), via voice applications and via web-mediated delivery with help of 3G spectrum. Just the total number of SMS that is sent global wide is expected to rise up to an annual 2.6 trillion by 2007. Mobile services that been around us for couple of years already are: communication services including E-mail, SMS and chat, transaction services including ticket booking and banking, entertainment services including music downloads, films, radio and network games, position service including road directions and restaurant tips, as well as different kinds of security services.

The high growth of e-commerce and the recent growth of m-commerce created a new advertising channel in the supply chain, known as e-marketing and m-marketing. The online advertising market was forecasted to be worth around $ 28 million in 2005. Differing from traditional media online marketing is able to offer a more measurable advertising channel with the possibility for one-to-one marketing, providing thereby higher benefits over the traditional media. Online media is also considered to be much less expensive than traditional media, such as the TV. Even though the Internet marketing has grown to a huge business it is considered that mobile marketing has the potential to become more popular than the Internet, in reaching consumers via marketing.

The development of Internet and other digital applications have created a new climate in which companies can overcome a part of the traditional market channels. The mobile phone is expected to further strengthen the digital market channel development and thus enable company’s further possibilities to broadcast their brand name. Even though some forms of mobile marketing have existed from the year 2000, it’s not until recent that mobile operators, advertisers and agencies have become interested of this service and started new partnerships with broadcasting mobile advertising campaigns. Although the mobile phone as an advertisement channel is far from mainstream it’s a media channel advertisers can’t omit and

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8 Riivari, J. (2005) “Mobile Banking: A Powerful New Marketing and CRM Tool for Financial Services Companies all over Europe”, 11
13 Ibid. 400-401
instead embrace it\textsuperscript{15}. There are already many companies embracing this channel because they view it as a way to get additional revenue\textsuperscript{16}.

Mobile commerce and m-marketing is expected to experience tremendous growth in the next five ears. The industry has already grown from $4 billion in 2003 to $16 billion in 2005 serves over 500 million users worldwide.\textsuperscript{17} Mobile advertising is forecasted worth up to $9.6 billion by 2010\textsuperscript{18}. Earlier studies have shown that mobile advertising campaigns can generate consumer responses much higher than the e-mail marketing\textsuperscript{19}. In fact the result shows that Internet can generate a consumer response ratio of 3 percent while the mobile phone makes it possible to create a consumer response ratio up to 40 percent. This may be because of the high growth and popularity of the mobile phone and the fact that SMS is considered to be the most popular data service in the world transforming more than 10 billion SMS messages per month\textsuperscript{20}. Table 1.1 will present a summary of the development and expectations of e- and m-commerce.

Table 1.1 Summary table of e-and m-commerce development and expectations

<table>
<thead>
<tr>
<th>Summary table</th>
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<tbody>
<tr>
<td>The Internet user rate was expected to rise above 1 billion by 2004</td>
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<tr>
<td>Online advertising market was forecasted to be worth approx 28 million by 2005</td>
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<tr>
<td>Mobile commerce was expected to rise above 16 billion by 2005</td>
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<tr>
<td>SMS sent is expected to rise up to a annual 2.6 trillion by 2007</td>
</tr>
<tr>
<td>Mobile commerce is expected to grow up to a 88 billion industry by 2009</td>
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<tr>
<td>Just the mobile advertising industry is forecasted to be worth 9.6 billion by 2010</td>
</tr>
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</table>

All statement are considered with a global wide view

1.1.3 Theoretical background

Mobile advertising is defined to be an area of m-commerce\textsuperscript{21} and a new advertising channel that builds on a direct contact between the advertiser and the customer\textsuperscript{22}. The word refers to the act where advertising messages are sent via wireless networks direct into consumer mobile phones. The service can be provided by mobile operators or other wireless application providers\textsuperscript{23}.

\textsuperscript{15} http://www.telecomasia.net. (2006) “This space for Rent: the challenges of Mobile Advertising” By: Chau, F., 16-17
\textsuperscript{16} “The Dangers of Mobile Advertising” (2006) By: Marek, S., 8
\textsuperscript{21} Ibid, 79
Mobile advertising can be seen as a combination of positioning and immediacy\textsuperscript{24} while the mobile phone is seen as the most precise advertising medium\textsuperscript{25}. Mobile advertising is explored to generate value to its providers via time-and location-sensitiveness, and personalized wireless information services\textsuperscript{26}. The service provides a rich platform for wireless advertising \textsuperscript{27} and a new approach for advertisers to build mutual beneficial relationships with their customers\textsuperscript{28}. It is argued that mobile advertising enables new revenue streams and opportunities for subsidizing access to its providers while enabling the consumers with a new value adding mobile experience sponsored by advertising\textsuperscript{29}. Mobile advertising is also considered to be an effective tool to build customer loyalty, brand awareness and develop consumer database\textsuperscript{30}.

An effect of E-marketing is not just a changed marketing practice, but also an influence on the consumer attitudes towards the marketing process\textsuperscript{31}. As a result from the E-marketing revolution, consumers are expected to become more demanding, more time-driven, more information intensive, and highly individualistic\textsuperscript{32}. Consumer attitudes and behavior towards mobile advertising are thus considered to differ from the traditional marketing approach. Because a mobile phone is usually tied to just one individual, who can be reached almost anywhere and anytime thanks to the mobile, the mobile is it is considered to be an extremely personal device. On one hand mobile phone and mobile advertisement is seen as a great marketing medium that can effectively reach out to new customers. \textsuperscript{33} But on the other hand can also be seen as an invasion of consumer privacy, and not as a suitable advertising channel\textsuperscript{34}. It’s thus important for mobile marketing providers to understand, just as stated, that there should be a line of what is considered as effective target marketing and disturbing of consumer privacy\textsuperscript{35}. In order to create suitable propositions for mobile advertising a significant consideration is therefore to build an understanding of the consumer attitudes and to recognize the characteristics influencing the attitudes of this new medium.

\textbf{1.2 Problem statement}

What are young adult attitudes towards mobile advertising and which factors affects them?

\textsuperscript{25} “The Dangers of Mobile Advertising” (2006) By: Marek, S., 8
\textsuperscript{28} Riivari, J. (2005)” Mobile Banking: A Powerful New Marketing and CRM Tool for Financial Services Companies all over Europe”, 15
\textsuperscript{33} Kavassalis, P., et al. (2003) “Mobile Permission Marketing: Framing the Market Inquiry”, 57
1.3 Purpose

The purpose of our paper is to create a better understanding for mobile advertising, and to draw conclusions of factors influencing consumer attitudes towards this new marketing channel. To reach our purpose we aim to look at relevant literature and to do a quantitative study on young adults in Umeå which will present our unit of analysis. The received empirical materials will be analyzed against the theoretical findings that will provide us to draw our conclusions. This paper is gathered to highlight the different factors driving user acceptance of mobile advertising because the service is considered to become more usable among users in the future.

1.4 Definition of concepts

E-commerce

Electronic commerce stands for the buying, selling and marketing goods over the internet.\(^{36}\)

M-commerce

Mobile commerce is the buying and selling of goods and services through wireless handheld devices such as mobile phone and personal digital assistants. Known as next-generation e-commerce, m-commerce enables users to access the Internet without needing to find a place to plug in.\(^{37}\)

Mobile advertising

Direct and personalized advertising through wireless devices such as mobile phones.\(^{38}\)

One to One marketing

Implies marketing activities that are targeted for each individual customer. The main purpose of the activities is optimizing business activities by segmenting customer's needs in detail and providing services that meet each customer's request.\(^{39}\)

Supply chain

The supply chain represents the flow of materials, information, and finances as they move in a process from supplier to manufacturer to wholesaler to retailer to consumer.\(^{40}\)

\(^{36}\) http://www.bitpipe.com/tlist/Wireless-Advertising.html. 2007.05.02, 15.30
\(^{37}\) http://searchmobilecomputing.techtarget.com/sDefinition/0,,sid40_gci214590,00.html.2007.05.02, 15.30
\(^{38}\) http://www.mariosalexandrou.com/definition/ecommerce.asp. 2007.05.02, 15.30
\(^{39}\) http://www.google.se/search?hl=sv&defl=en&q=define:One+To+One+Marketing&sa=X&oi=glossary_definition&ct=title. 2007.05.02, 15.35
\(^{40}\) http://www.google.se/search?hl=sv&defl=en&q=define:Supply+chain&sa=X&oi=glossary_definition&ct=title. 2007.05.02, 15.35
I-mode

Proprietary packet-based information service for mobile phones. I-mode delivers information (such as mobile banking, and train timetable) to mobile phones and enables exchange of email from handsets on the PDC-P network.41

1.5 Disposition of the paper

Theoretical methodology

This chapter provides the reader with a motivation and an explanation of the chosen subject and the theoretical method for our paper. The reader is enabled to follow our methodological choices such as the epistemological approach and our perspective and how these choices have affected our study. The chapter also includes how the theoretical data has been gathered, preconception and criticism of secondary sources.

Literature review

This chapter provides the reader a literature review for the paper. We will start this chapter by reflecting some theories of individual attitudes and behaviours. Afterwards are user acceptance and their drives towards mobile advertising presented. This chapter concludes with a research framework section that reflects the significant literature findings and the stated hypotheses for our paper.

Practical research methodology

This chapter provides the reader a presentation of how we conducted our study and the choice of research method, the hypothesis construction, the collection of empirical data as well as criticism towards our primary data and our methodology.

Presentation of empirical data

This chapter will provide the reader a presentation of our empirical data findings. First we present the Gant chart figures that illustrate the results of the survey questions. Afterwards we present the statistical findings where the result of our Pearson Correlation is presented.

Discussion and analyse

This chapter we will provide the reader a discussion and analyse of our empirical findings. The purpose in this chapter is to drive a deeper analyze of our empirical findings and relate them to the literature.

2007.05.02, 15.35
Conclusions

This chapter will provide the reader with an answer to our problem statement and the conclusions we drawn from our study. This chapter will end with the author reflections about the strengths and weaknesses of the study and some recommendation for further research in this area.
2 THEORETICAL METHODOLOGY

This chapter provides the reader with a motivation and an explanation of the chosen subject and the theoretical method for our paper. The reader is enabled to follow our methodological choices such as the epistemological approach and our perspective and how these choices have affected our study. The chapter also includes how the theoretical data has been gathered, preconception and criticism of secondary sources.

2.1 Choice of subject

The underlying interest for choosing this subject comes first of all from the author’s interest in different ways of advertising. Both authors also have a great interest regarding mobile phones and have subscriptions with the Swedish phone operator 3 which offer their customers different 3G services. The authors use their mobile phones to read the newspaper, check the stock market and to download different services. When having a subscription with 3 you also receive advertisement in MMS format regarding new extra services. The authors experience with this type of advertisement directly to the mobile phone has been both positive and comfortable.

In today’s society technological progress is occurring faster and faster. From 1997 to 2003 the use of mobile communication has grown from 215 million to 1.16 billion users and in Western Europe and over 79% of the inhabitants is using these types of mobile services\textsuperscript{42}. This makes mobile phones to a very useful advertising medium. Thanks to the technological progress it will probably be fully possible to advertise directly to consumers through mobile phones.

The factors mentioned above lead us to the problem: \textit{What are the consumer’s attitudes towards mobile advertising and which factors affect them?} Recent studies have shown that the attitude towards ads is rather negative even though advertisement on the Internet has got more positive responses\textsuperscript{43}. When choosing mobile advertisement as our subject, the process was to first contact different organizations in order to create a picture of their general attitudes towards mobile advertising. We decided later on to focus on the consumer’s attitudes. The


purpose of this is to create a framework of consumer’s attitudes towards mobile advertising and possibly provide guidelines for organizations.

2.2 Delimitations

Our study is limited to make 120 randomly selected young adults in Umeå University to fill out a questionnaire provided by us. They will answer questions regarding mobile advertising and issues relating to it. We are aware of that by only asking young university students here in Umeå about their attitudes it won’t be possible to draw conclusions concerning all of Umeå’s or Sweden’s population in regard to their attitudes towards mobile advertising. We think, though, that the young adults are the most frequent users and when mobile advertising will reach its breakthrough in the near future they will probably be the main target group to user this service. Therefore we think that creating a general picture of young adult attitudes towards mobile advertising is very relevant.

2.3 Preconception

In the entreating stages of a study like this the authors cannot approach the chosen subject entirely neutral. The authors have always some type of preconception that affects their way of approaching a chosen study. The understanding they have gathered through previous experiences, such as living conditions and social life, can be regarded as the author’s common preconception. Factors, such as academic background, will also affect the author’s preconception. However, possessing a degree of preconception for the chosen subject can be seen as positive. The authors possess knowledge about the subject that will make it easier to have understanding for the study. Depending on the author’s preconception in a chosen subject he/she will not be able to be fully objective when conducting a study. The reality standpoint that the author possesses has been created trough previous social interaction that affects the author’s subjectivity, which can be seen as negative because it can prevent the author from reaching a fully reliable result.

2.3.1 The author presentation

The both authors have been studying business programs at university level since 2004. Michal has spent all his academic years at Umeå School of Business while Lauri is an exchange student from Finland, where his home university is Hanken in Wasa. Lauri is majoring in management and organization and will study courses this year that relate to his major program, as well as complete his bachelor thesis. Michal is majoring in marketing and will continue with the masters program in marketing when finish writing the bachelor thesis.

During this spring semester here at Umeå University Lauri has taken a course in Product Planning and Development, while Michal was studying service and international marketing. In this course Lauri were for the fist time introduced to the subject mobile marking and the interest towards the topic was born. Lauri wrote a paper in the course for a new mobile

44 Ingeman, A. & Bjerke, B. (1994) "Företagsekonomisk metodlära", 182
45 Ibid. 86-87
service subscription that enables consumers to receive ads into their mobile phones in change to lower their monthly subscription bill.

While reading the course Operations Management, Lauri has also written a paper about value creation in the supply chain of mobile marketing. This paper illustrates that mobile marketing can provide value for all actors involved in the service. The paper defines that mobile marketing provides advertisers a new effective marketing channel, the operators a new way of doing business, as well as it enables consumers to receive wanted ads and an opportunity to lower their monthly subscription bill. Lauri presented his work to Michal who felt that this subject was very interesting. Lauri also provided Michal with different literature regarding mobile advertising. After reviewing and developing an understanding for the subject, Michal and Lauri decided to choose this subject when writing their bachelor thesis. It would be very interesting both from a management and a marketer point of view to get an understanding for how consumer’s attitudes are against this new type of channel to advertise.

By having a preconception about the chosen subject in form of theoretical background, Lauri and Michal will be able to perform this study with a greater understanding. The negative aspect of this is that of Lauri and Michal’s preconception of the chosen subject, the choice of theories can be subjectively affected. Some parts in the theoretical framework that the authors experience as most interesting be highlighted and others can be left out.

2.4 Epistemological approach

The epistemological approach aims to explain the view of knowledge can be explained and understand from a scientific point of view. Depending on which approach is used this will also affect the ways of explaining reality. The epistemological approach is divided into mainly two different approaches, the positivistic and the hermeneutic approach.

The early positivistic approach meant that science should only conduct to describe how a different phenomenon occurs. Only the phenomena that can be observed are worthy to know. This phenomena justifies that what cannot be seen, cannot be explained. Nowadays, the approach has changed. When a scientist is trying to solve a problem he/she should use different types of theoretical frameworks to work within. By doing that, hypotheses can be stated and the existing theory can be confirmed. In the positivistic approach, another subject is of great importance. The research in focus should be fully objective. The researchers preconception should therefore under no circumstances affect the research. It should only be based on collected facts. Therefore form the positivistic approach a large emphasis is put down to collect large amounts of data to be able reaching reliable results.

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47 Ibid. 77
50 Widberg, K. (1998) ”Kvalitativ forskning i praktiken”, 24
51 Johansson Lindfors, M. B. (1993) ”Att utveckla kunskap, om metodologiska och andra vägval vid samhällsvetenskaplig kunskapsbildning”, 46
According to the hermeneutic approach, the researcher should search for knowledge by interpreting different phenomena through people’s interpretations of reality. The individual should also been seen as active. This is unlike the positivistic hermeneutic approach, which only aims to generate a deep understanding for specific phenomena by studying a limited amount of phenomena. It does not aim to be able describing it neither to confirm an existing theory. When conducting a study the scientist preconception and values should play a central role in the study. This should be done to clarify which meaning the scientist’s preconception has in his/her interpretation of the study in focus. The hermeneutic approach advocates the scientist to be subjective that is the opposite of what the positivistic approach stands for.

The epistemological approach that fits our study the best is the positivistic approach. We will use a theoretical framework to work within and try to either confirm or decline our stated hypotheses. Our study does not only aim to understand a specific problem but also to describe it. A great emphasis will be put down on gathering large amount of data (approximately 120 questionnaires). We aim to find general attitudes toward mobile phone advertising and that can not be preformed by only studying few objects. We are aware of the difficulty of not letting our preconception affect the study a being fully objective. By possessing former knowledge about a chosen subject can affect our way of approaching a study. By performing a quantitative research we will minimize the possibility of letting our values affecting the result. The only problem we recognize is choosing a theoretical framework from an objective point of view. Because of our preconception of the chosen subject different theoretical parts we value as more important can be more highlighted than others.

2.5 Scientific approach

The scientific approach aims to give a picture of how the theory and empirical data will be related to each other. Regarding which epistemological approach the researcher has two different ways can be chosen to relate theories to empirical data. These are the inductive and deductive approach. In the positivistic approach the deduction is how the researcher approaches the theories and in the hermeneutic the inductive approach is used.

The deductive approach which is closely related with the positivistic approach has it starting point in the theory. The next step in the process is to state different hypotheses based on the theories. These hypotheses will be tested against empirical data which has been collected trough quantitative or qualitative methods. The following step in the deductive process is either to confirm or dismiss the stated hypotheses. Even though the deductive process can be seen as a very linear approach where all the phases follow each other in a specific order, the deductive process can be handled in other ways. Therefore large emphasis has to be put

52 Hartman, J. (2001) ”Grundad teori-teorigenerering på empirisk grund”. 21
54 Widberg, K. (1998) ”Kvalitativ forskning i praktiken”, 26
56 Ibid. 55
57 Bryman, A. & Bell, E. (2005) ”Företagsekonomiska forskningsmetoder”, 23
down on collecting the right data and the creation of an appropriate model to interpret the collected data\textsuperscript{60}.

The inductive approach which is closely related with the hermeneutic approach has it starting point in the empery and lead to new theories\textsuperscript{61}. In an inductive approach the researcher should not start with creating hypothesis from a theoretical framework. The researcher should instead start with a problem and then collect empirical data that fits the problem. If the collected material is large enough and clear relations can be identified, then general conclusions can be drawn and new theories can be generated\textsuperscript{62}. In the deductive approach large emphasis was put down on collecting the empirical data. In the inductive approach on the other hand the large emphases is put down on interpreting and create an understanding for the collected data. Therefore it is of great importance that the researcher is very open minded and also questions the data gathered.\textsuperscript{63}

There also exist a third scientific approach which shifts between the theory and empery. It is called “the golden middle way”\textsuperscript{64}. From the positivistic approach the golden middle way can mean that the researcher starts with the empery to find a problem. Then he moves on to the theory to find appropriate theories and finishes by analyzing the empirical material\textsuperscript{65}. From the hermeneutic point of view the researcher instead moves from theories to the empery and finally switches back to the theory again. The reason for this is that the researcher can not meet the empirical reality when not having any preconception and should therefore prepare him self by starting in the theory. It is then important for the researcher to observe the empirical material carefully to be able to fill out or reformulate the existing theories used.\textsuperscript{66}

We see our scientific approach as mainly deductive. This is because we move from a theoretical framework where we state different hypotheses and then try to confirm them with the collected empirical material and trough that confirm or dismiss the existing chosen theories. This scientific approach fits our epistemological standpoint as well.

\textbf{2.6 Perspective}

When performing a study it is necessary to chose from which perspective/s the researcher will review the problem. By choosing one or several perspectives the researcher can use them to gain a deeper understanding for the chosen subject in focus\textsuperscript{67}. By choosing a specific perspective it will also influence how the empirical data will be analyzed.

We have chosen to us the young adults perspective. The purpose choosing this perspective has its background in that we identify this group as the most frequent mobile phone users\textsuperscript{68}. When mobile advertising will become a regular way of reaching out to customers this group of

\textsuperscript{60} Johansson Lindfors, M. B. (1993) ”Att utveckla kunskap, om metodologiska och andra vägval vid samhällsvetenskaplig kunskapsbildning”, 56
\textsuperscript{61} Ibid. 58
\textsuperscript{62} Hartman, J. (2001) ”Grundad teori-teorigenerering på empirisk grund”, 24
\textsuperscript{63} Johansson Lindfors, M. B. (1993) ”Att utveckla kunskap, om metodologiska och andra vägval vid samhällsvetenskaplig kunskapsbildning”, 58-59
\textsuperscript{64} Ibid. 59
\textsuperscript{65} Ibid. 60
\textsuperscript{66} Ibid. 61
\textsuperscript{67} Eliasson, R. (1995) ”Forskningsteknik och perspektivval”, 27
people could be seen as a target group. We aim to find out their attitude toward mobile advertising in general, incentive based and permission based advertising. By doing so we hope to confirm the existing theories and create a picture of the attitudes towards mobile advertising.

2.7 Secondary sources

In the collection process of theoretical material, gathering secondary information is a usual way of performing the task. Secondary data is defined as something that has already been collected by someone else for different purposes then our own. Different forms of secondary data are statistics gathered by public organizations, scientific databases and books.

The secondary data we have gathered to this study come mainly from different databases in form of scientific articles available on the university campus. These data bases are Business source premier, Emerald, ACM Portal and Proquest. When searching for relevant scientific articles the most frequent key words used were consumer attitudes, mobile advertising, permission based advertising, M-commerce and E-commerce. We have also used the university library to find books about the chosen subject. We have also come in contact with a couple of books and articles based on recommendations from Björn Stenbacka. The strategy we used when collecting secondary data were to find relevant data about every specific keyword and then put the gathered data together to create a theoretical framework.

2.7.1 Criticism of secondary sources

There are some disadvantages of using secondary data. One of them can be that the data has been collected for a different purpose which will affect how the data is presented. Secondary data must therefore be viewed with caution and critical approach to identify data that will suit your objectives and benefits from the data collected will be maximized.

We have aimed to use scientific articles and books to our literature review that are relatively fresh. Most of the books used were written after the year 2000. Most of the articles used are only a couple of years old. To avoid unreliable articles databases at the university library have been used to find reviewed papers. By having this in mind our purpose is to use updated material from reliable sources. One of the problems with some the articles we used are that the studies presented in them has been preformed in Asia. These articles are also some of the leading ones in the subject mobile advertising. Our purpose was to find out young adults attitudes towards advertising and what affects them. Because of large cultural differences in Asia and Sweden it can in some cases be rather hard to compare different factors. We have

69 Ingeman, A. & Bjerke, B. (241) “Företagssekonomisk metodlära”, 241
70 Johansson Lindfors, M. B. (1993) ”Att utveckla kunskap, om metodologiska och andra vägval vid samhällsvetenskaplig kunskapsbildning”, 118
71 Bryman, A. & Bell, E. (2005) ”Företagsekonomiska forskningsmetoder”, 231
72 Björn Stenbacka, PhD student at the Swedish School of Economics and Business Administration in Finland, and CEO of Sports Telecom, Finland.
74 Ibid. 201
put down lot of effort in finding articles focusing on mobile advertising in the western society to get an appropriate theoretical framework.

The books used by us have mainly had a function to fill out what the articles we used missed. For instance some factors are that needed a more detailed explanation were only briefly commented in the articles. We are aware that the books used are not reviewed and validity and reliability can be questioned. Because of how we used the books we do not think that their content will affect our literature reviews validity and reliability.

Under the whole process of our literature search we have strictly focused on the purpose of our study. By having that in mind we were able to quickly eliminate irrelevant literature and put more effort on literature having our subject in focus.
3 LITERATURE REVIEW

This chapter provides our literature review for the paper. We will start this chapter by reflecting some theories of individual attitudes and behaviours. Afterwards are user acceptance and their drives towards mobile advertising presented that is subcategorized in four different sections which each will final up with a hypothesis statement. Figure 3.1 illustrates this graphically. This chapter concludes with a research framework section that reflects the significant literature findings and the stated hypotheses for our paper.

3.1 The individual attitudes and behaviours

Individuals gather information, comprehend and link it to their existing knowledge, where after individuals evaluate the information as well as form attitudes and intentions whatever to constitute an action or not. Behaviour is created as function of these processes. Understanding of individual behaviours is essential in the study of attitudes that people have because attitudes and behaviours are related and influences each other. Four factors are found to influence on the individual behaviours in general. These are the individual’s cultural, social, personal and psychological factors, which further concludes of the motivations, believes, attitudes, gender, lifestyle, family and friends. All these factors are considered to influence the final individual behaviour towards an action.

The individual attitude is defined as the reality that an individual has towards an object or idea. Attitudes include to the psychological behaviours and are affected by the individual beliefs, of doing and learning. The word attitude refers to “A person’s consistently favourable or unfavourable evaluations feelings and tendencies towards an object or idea”. The word attitude has been described a person’s positive or negative feeling about performing an action. Attitudes have also been described as the level of the evaluative affect that is associated with an action.

People build their attitudes towards religion, politics, music, movies, food, and to almost everything else in this world. The attitudes that individuals are caught with have been considered moving them towards or away from the object or idea. To change an attitude can be difficult, and may require complicated adjustments in many different ways. Companies should therefore focus more on how to design their products and services fitting the existing

77 Ibid. 274-275
78 Ibid. 275
79 Glassberg, B. C., Grover, V., & Teng, J. T. C. (2006) "Information System Research with an Attitude", 76
consumer attitudes instead of shaping the consumer attitudes towards the product or to the service.  

3.2 Driving user acceptance of mobile advertising

The high penetration of mobile phones along with the technological development has created a whole new marketing medium for the advertisers, the mobile advertising. The success of this new marketing medium is although largely dependable on user acceptance to receiving ads into their mobile phones. Therefore a study of consumer attitudes towards mobile advertising is considered to be important. To be able to judge consumer attitudes and what influence the attitudes we aim to look at user acceptance and their drivers towards this medium. This section will further provide our literature findings of consumer attitudes towards mobile advertising. Since individual attitudes are explored as evaluating judgment, or personal feelings towards an action, is it expectable that many factors influence consumer attitudes of mobile advertising.

The literature findings illustrate that User Acceptance of Advertising, User-Based Acceptance Drivers, Advertisement Acceptance Drivers, and Mobile Service Acceptance Drivers influence on consumer attitudes towards mobile advertising. This has also been illustrated in figure 3.1 below, which shows how the following sections are constructed and how each section will end up with a hypothesis statement. Further a more detailed analyse of each steps that figure 3.1 illustrates will be presented.

Figure 3.1 Graphical illustration of our literature review

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82 Glassberg, B. C., Grover, V., & Teng, J. T. C. (2006) ”Information System Research with an Attitude”, 76
3.2.1 User Acceptance of Advertising

In this first section we present User Acceptance of Advertising as a driver to consumer attitudes towards mobile advertising.

It is stated that consumers explore advertising as something negative and that consumers usually have negative attitudes towards advertising. TV advertising for example is explored seriously misleading as well as having a high level of ad-related communication problems. Nevertheless has Internet advertising unlike TV and other advertising channels been explored more informative and trustworthy. The value of Internet advertising has been explored higher than for regular advertising (TV, radio, and mail) and therefore increasing consumer positive attitude and interest towards the ad. The consumer explored value on advertising can thus be seen as an influencing factor on consumer attitudes towards advertising. The influence on explored value will be covered more deeply later on in this paper. Although the consumer attitudes towards mobile advertising have been expressed easier to change compared to consumer attitudes toward advertising in general, are they considered related to each other. Consumer attitudes towards mobile advertising are thus influenced by the explored consumer attitude towards advertising in general. In other words explained the consumer attitude towards advertising in general will influence on the persons attitude towards this new advertising medium. A user exploring advertising as annoying are more likely to have negative attitudes towards mobile advertising than a user who sees advertising as entertaining and as a part of a every day life, who instead are likely to have more positive attitudes towards mobile advertising. Our first hypothesis as follow can thus be presented:

\[ \text{H1. User Acceptance of Advertising Influence on the consumer attitude towards mobile advertising.} \]

3.2.2 User-Based Acceptance Drivers

In this section we identify user-based factors as an acceptance driver for mobile advertising. The factors we will present are user social norms, mode and motives, innovativeness, existing knowledge, and user information seeking behaviour.

Social norms refer to the influence that a person’s social environment has on his/her attitude towards an object. It have been stated that a consumers subjective norms towards mobile communication are likely to be influenced by the consumers normative beliefs. Aspects affecting the normative beliefs are friends, family, work environment and colleagues. Personal influences or one person’s statement on another person’s attitude influences also the person’s final normative belief and therefore also the person’s final attitude. Consumer attitudes towards mobile advertising are thus considered to be influenced by the consumer’s social relationships to friends, family and work. This shows that user social environments like friends and co-workers affect on the shaped consumer attitude towards this new marketing medium. Positive and negative experiences of mobile advertising can thus be seen

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moving from one consumer to another, in the social relationship. User social norms can therefore be seen to influence consumer attitude towards mobile advertising.

User motive defines the individual’s inner desire to fulfill a need or want. The user motives are usually initiated with a specific goal. If user goal involves any kind of information seeking that can be fulfilled with an ad the user attitudes are likely to be positive towards receiving ads into the mobile phone as well. The user mode defines instead the goal-directed use of a mobile phone and what the aim of having a mobile is. Two different kinds of mobile “mode” user groups have been identified, where one group have a serious goal oriented aim of using the mobile and where the other group have a more explorative aim of using the mobile. According to similar Internet studies users with higher explorative aim have been more positive to receive ads into their e-mail, therefore a statement is presented that this could also be the case with mobile phone users. The consideration should be to identify user goals and what the relevant information to a user is, as well as identify the user group likely to use mobile as a marketing medium. If mobile advertising can provide consumers with relevant information that helps them to fulfill their needs it is likely that mobile advertisement will receive more acceptance as a marketing channel as well.

User innovativeness refers to the consumer’s personality and how willing they are to explore new innovations on the market. The consumers differ a lot in the level on innovativeness for a new upcoming good or service. Consumers with high level of innovativeness or innovators are expressed to be very open for new upcoming objects and ideas on the market as well as they tend to make constructive usage of them. Innovator consumers are usually young adults, better educated, and have a higher income than later adapt consumers. Innovators are also explained as risk takers, and those who take use of special offers like discounts, coupons, and samples. Considering the telecommunication industry and mobile communications, consumers with higher level of innovativeness are more likely to be aware and seek information about the new upcoming innovations within the industry. These could therefore also be seen as the consumers to first explore mobile advertising. The marketing of a new mobile service like mobile advertising should in first hand be directed to young innovative consumers, like identified.

A central aspect influencing consumer behaviour has been expressed as level of the individual knowledge about a good or service. Consumers existing knowledge affects the cognitive process relating to the final decision whatever to perform behaviour or not. This is because the existing knowledge determines the consumer’s ability to understand the features and usage of an innovation, like mobile advertising. Good knowledge about telecommunication industry will most likely provide the consumer with a higher understanding of mobile advertisement, because the telecommunication provides the basis for mobile advertising. Therefore it is stated that consumers with higher knowledge about telecommunication

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89 Ibid. 413
industry are likely to know more about mobile advertising, and that these are also the consumers with a more positive attitude towards mobile advertising\textsuperscript{\text{94}}.

Because mobile advertising as we present it is a new phenomenon on the market it is considerable that consumers form their attitudes towards this medium from their old experiences from comparable services or from spam messages, which have occurred onto their phones already for several years. The existing knowledge that consumers possess from their experiences and the shaped attitudes of receiving spam messages into mobile phones can therefore affect on consumer attitudes towards future mobile advertising services. To provide consumers with right knowledge of any technology can thus be considered significant.

The last aspect we discuss in this section is the user information seeking behaviours. The concept of information seeker behaviour refers to the consumer’s motivation and willingness level to collect as well as to receive information from different external sources.\textsuperscript{\text{95}} External sources are used when information is acquired in order to solve an immediate problem or when information is acquired for a possible later use. As advertisement information are including the external sources, consumers with a higher motivation and willingness to reach information have been explored as consumers that have a more positive attitude towards advertisement in general.\textsuperscript{\text{96}} The external information in wireless platforms are usually used by consumers for finding solutions to their existing problems or when the aim is just to kill some time in the daily transit.\textsuperscript{\text{97}} The consideration is to identify the consumers who actively search for external information, more precisely to identify consumers who use their mobile phone to search for external information or who are willing to use their phone to search for external information. High mobile service users and users with willingness to apply for mobile services in the future can thus be seen as a consumer group more willing to accept mobile advertising. This consumer group is likely to have positive attitudes towards mobile advertising as well.

This section has defined user social norms, mode and motives, innovativeness, existing knowledge and information seeking behaviour, as User-Based Acceptance Drivers of mobile advertising. Our second hypothesis as follow can thus be presented:

\textbf{H2.} \textit{User-Based Acceptance Drivers influence on the consumer attitude towards mobile advertising.}

\subsection*{3.2.3 Advertising Acceptance Drivers}

In this section we identify advertising factors as an acceptance driver of mobile advertising. The factors we will presents are the user perceived value and utility, ease of use, risk, trust and control of the mobile advertisement service.

The explored value of advertising is stated to be one of the most critical factors in influencing the consumer attitude towards advertising. Aspects influencing the explored advertising value on mobile advertising are found to be the entertainment, informativeness, irritation, and

\begin{flushright}
\textsuperscript{95} Ibid. 184
\textsuperscript{96} Ibid. 184
\end{flushright}
credibility\textsuperscript{98} as well as the relevancy\textsuperscript{99} timeline and usefulness of the ad\textsuperscript{100}. Consumers have explored messages that are short and concise, funny, interactive, entertaining, relevant\textsuperscript{101} or with high variation level and customization to be value adding features\textsuperscript{102}. On the other hand irritating messages are explored offending, insulting, and overly manipulating by consumer. These qualities are therefore likely to have a negative affect on consumer explored value while the earlier mentioned qualities likely have a positive affect.\textsuperscript{103} Because the consumer explored value is influenced by the qualities mentioned above is it also considerable that these qualities have an impact on consumer attitudes towards the whole service as well. The explored value on the mobile ads can thus be considered to influence the consumer acceptance to mobile advertising as an advertisement channel\textsuperscript{104}. Therefore the consumers that express a positive value from mobile advertising are also the ones that are likely to have a positive attitude towards mobile advertising.\textsuperscript{105} In order to create mobile advertising to a lucrative advertisement channel a suitable proposition is to focus on the value added features while minimizing the non value or irritating feature presented above.

Consumer acceptance has become an important factor in explaining the success or the failure of a new products or services. As many other innovation concepts, mobile advertising is fully dependable on the consumer acceptance of the new marketing channel. In order to forecast the consumer acceptance of mobile advertising is it necessary to examine the adoption and usage of this service. This may be problematic because mobile advertising is still in an embryonic stage with many consumers not tried out the service yet. The best way to forecast consumer acceptance should be by measuring the attitude toward acceptance. This could be done by developing a model, where the consumer acceptance towards mobile advertising is tested\textsuperscript{106}. One model used in consumer acceptance testing is the TAM (technology acceptance model). This model defines how consumers explore the usefulness and the ease of use of a new upcoming technology. TAM model is tested in many empirical studies, where the results confirm that these factors do correlate with the usage. Therefore, if the technology is explored useful and easy to use by the consumers, is the acceptance towards the technology likely to be positive as well\textsuperscript{107}. The perceived usefulness and ease of use influences thereby also the consumer’s attitude towards a technology.\textsuperscript{108} Consumers more familiar to mobile technology can therefore be considered the consumers first to apply for mobile services, like mobile advertising. Therefore are consumers who find mobile technology useful and ease of use consumers with more positive attitudes towards mobile advertising. As stated before is this consumer group identified to be the young consumers or young adults age 18-35.

The perceived risk refers to the level of risk or uncertainty that consumers feel are involved with an object or idea. The risks and uncertainties connected to mobile advertising have been

\textsuperscript{102} De Reyck, B., & Degraeve, Z. (2003). "Broadcast Scheduling For Mobile Advertising", 511
\textsuperscript{106} Ibid. 182-183
\textsuperscript{107} Nathwani, K., & Eason, K. (2005) “Perception versus Expectations of Multimedia Messaging Service (MMS)”, 191
\textsuperscript{108} Glassberg, B. C., Grover, V., & Teng, J. T. C. (2006) "Information System Research with an Attitude", 77
found to be consumers concern about data manipulation, unauthorized data access, and privacy. On the one hand is mobile advertising seen as a high lucrative marketing channel by the advertisers but on the other hand is it seen as a privacy violations treat by the consumers. The consumer perceived risk of mobile advertising have thus considered a strong influence on the final consumer attitude towards the service. A high perceived risk of mobile advertising will therefore lead to a more negative consumer attitude towards the service. 109

The matter of consumer trust has been discovered as an important factor in E-commerce110, thus also in mobile advertising111. Research studies have illustrated that consumer trust towards a technology influences also his willingness to buy112. Consumer trust within E-commerce has been defined as “the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party”113. The explored trust in a B2C relationship will stimulate the uncertainty, perceived risk and interdependences114. Elements that are positively influencing consumer trust within e-commerce are the prior positive actions, company reputation, and size115. Aspects like spam, user believes in the mobile as an advertisement channel, and the matter of user privacy are considerable to shape consumers trust of mobile advertising. A user with no trust in the mobile as an advertising channel, or a user fear of spam or privacy violation as a consequence from mobile ads are thus likely to have negative attitudes towards mobile advertising.

The final aspect relating to perceived advertisement characteristics influencing on consumer attitudes towards mobile advertising is the perceived control. This refers simply to consumers control over when, where, what and how much advertising to receive into the mobile. It is stated that consumers are needy of some control in order to accept advertising into their mobiles116. One approach to provide consumers control is when to receive mobile ads into the mobile, more precisely to provide consumers with the time and location control on when the ad is received. Another approach is permission based mobile advertising where consumer has control over what type of advertising he/she wants to receive117. Permission and location based approach will be discussed more deeply later on in the paper. Final approach presented in the literature is to provide consumers a frequency-control of the ads received. It is confirmed that too many advertising messages would decrease the consumer acceptance towards the service118. By providing consumers control over when, where, what and how much advertising to receive it would certainly reflect a more valuable mobile service from the user perspective 119, enabling thus information and physical privacy to the users 120. It is considerable that the amount of control provided to consumers to be related to the consumer

117 Ibid. 87
118 Ibid. 87-88
explored value of the service and thus also to the consumer attitude of the service. The level of consumer perceived control can thus be seen positively related to consumer attitudes towards advertising.

This section has defined user perceived value and utility, ease of use, risk, trust and control as Advertising Acceptance Drivers of mobile advertising. Our third hypothesis as follow can thus be presented:

**H3.** Advertising Acceptance Drivers influence on the consumer attitude towards mobile advertising.

### 3.2.4 Mobile Service Acceptance Drivers

In this last section we identify mobile service factors as an acceptance driver of mobile advertising. The factors we will present are the precision-, permission-, incentive, and MMS based mobile advertisement services.

Precision or time and location based service refers to the time on week or day, and where the consumer is located at the time the ad is received. Researches have confirmed that consumer attitudes towards mobile advertising are influenced by the specific time and location on when the ad is received.\(^{121}\) Driving the right information to the right consumer at the right time, with help of a global positioning system (GPS)\(^{122}\), will enable consumers to receive the ads actually when shopping\(^{123}\), which instead will induce impulse buying.\(^{124}\) The focus should therefore be to reach the consumers at this specific point, in order to receive positive consumer response and to maintain a positive consumer attitude towards the industry.\(^{125}\) Consumer attitudes towards mobile advertising are thus likely to be influenced by the time and location on when the ad is received. Although, has it been stated that this kind of marketing approach will need consumer approval or permission.\(^{126}\)

User permission is considered very important in the mobile advertising industry. This because of the spamming that is feared to have a negative influence on consumer attitudes towards the industry.\(^{127}\) In fact user permission has been discovered to be the most important factor influencing consumer attitudes towards mobile advertising and therefore is it also essential for the industry to offer permission based services. Permission based marketing is an agreement between advertiser and receiver where the receiver decides when and how much information to receive. Permission based advertising facilitates one-to-one marketing by permitting customization and tailoring of content and user interface\(^{128}\) and to construct the customer data

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\(^{121}\) De Reyck, B., & Degraeve, Z. (2003). "Broadcast Scheduling For Mobile Advertising”, 511

\(^{122}\) Okazaki, S., (2005), “Mobile Advertising Adoption by Multinationals: Senior Executives Initial Responses”, 164


\(^{124}\) Okazaki, S., (2005), “Mobile Advertising Adoption by Multinationals: Senior Executives Initial Responses”, 164


bases in order to practice a more complete personalized advertisement channel. To tailor user preferences helps driving advertising more to the consumer interest creating thereby additional value for the consumer. Permission marketing has been defined as the opposite from the traditional interruption marketing. Permission marketing builds on ongoing relationship between the company and consumer in differ from the traditional approach. Permission marketing differs further from the traditional method because it enables consumers to indicate their willingness to receive a specific ad. Permission based service enables thus the removal of spam messages into the mobile phone. Spam messages are considered irritating, not acceptable and likely to reduce the effectiveness of the medium and the business over time. Permission based service is also defined to stimulate consumer acceptance towards the technology. Consumer acceptance of purchasing a good or a service can be related to theory of consciously deciding behaviour before performing an actual behaviour. Also explained as the consciously acceptance of a behaviour, before the behaviour is completed. A practical example of the consciously acceptance is illustrated to be the consumer approval or permission to receive ads into their mobile phone before the ad is actually received. User permission is thus considerable to be positively related to consumer attitudes towards mobile advertising.

Incentive based advertising is an approach that provides specific financial rewards to consumers who agree to receive ads into their mobile phones. For example, consumers that accept to receive ads into their mobile phone in form of picture, video or voice get free connection time alternatively get to lower their monthly subscription bill. The incentive based advertising is feasible for mobile advertising because the technology makes it possible to identify individual users. This type of approach has been discovered affecting the consumer intention to receive mobile advertising under a given attitude, which instead affects the consumer’s actual advertisement receiving behaviour. Consumer attitudes towards mobile advertising are therefore considered to be influenced by the incentive based service. Several trials have demonstrated that mobile phone users are more positive to receive incentive based advertising messages into their phones. Incentive based mobile advertising services are thus considerable to be positively related to consumer attitudes towards mobile advertising.

The final aspect relating to mobile service characteristics influencing on consumer attitudes towards mobile advertising is the advertisement form. It has been argued that mobile advertising is based on SMS messages today, while MMS messages would be the right approach to drive mobile campaigns in the future. MMS differs from the SMS because it enables also to send pictures videos and sounds in the messages to the consumers. SMS and

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mobile Internet technology is expected to become more used by consumers among with the movement from 2G to 3G phones. Studies have been shown that consumers have favourable views towards MMS services. The high mobile phone prices and expensive service costs should first nevertheless be overcome before the service could be considered a success. Propositions for advertisers to attract consumer attention with their advertising have been to use the right amount of novelty, contrast, eye-catching pictures and headlines in their ads. It has been found a challenge for advertisers to produce SMS ads that consumers explore eye-catching, entertaining, relevant, and effective. MMS along with the high resolutions and multicolour display phones enables therefore a more affluent advertising approach compared to SMS technology, involving audio, pictures and videos clips that can be produced for individual users with specific needs, interest and inclinations. Its considerable thus that pictures can provide more value with its entertainment qualities and therefore also posses more positive consumer attitudes of mobile advertising.

This last section has defined the precision-, permission-, incentive, and MMS based mobile advertisement services, as Mobile Service Acceptance Drivers of mobile advertising. Our fourth and final hypothesis can thus be presented as follow:

\[ \text{H4. Mobile Service Acceptance Drivers influence on the consumer attitude towards mobile advertising.} \]

The literature review has presented drivers of mobile advertising. Findings have illustrated that user acceptance of advertising, user-based acceptance drivers, advertisement acceptance drivers, and mobile service acceptance drivers are likely to influence on consumer attitudes towards mobile advertising. To support the literature findings four hypothesis have been constructed for our empirical research. These hypotheses are also constructed in order to fulfil our knowledge gap among young adult attitudes towards mobile advertising in Sweden.

### 3.3 Research framework and hypothesis presentation

This section reflects our main literature findings and hypotheses. This is done to provide the reader a better reflection of the paper and to help the reader to better stay on the track while reading. This section will also provide a graphical representation model of our hypotheses and how they are constructed (Figure 3.2).

The first section above has identified User Acceptance of Advertising to drive consumer attitude towards mobile advertising. The literature findings define consumer attitudes towards advertising in general to influence the consumer attitudes towards mobile advertising. In other words, if a person explores advertising as something negative his/her attitudes towards mobile advertising are also more likely to be negative, while a person who explores advertising

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139 Okazaki, S., (2005), “Mobile Advertising Adoption by Multinationals: Senior Executives Initial Responses”, 161 ff
as entertaining and positive more likely have positive attitudes towards mobile advertising.
The following hypothesis can therefore be presented:

**H1. User Acceptance of Advertising Influence on the consumer attitude towards mobile advertising.**

The second section above has identified user-based factors that drive consumer acceptance towards mobile advertising. The factors found from the read literature are user social norms\(^{145}\), existing knowledge and information seeking\(^{146}\). “These factors referred by the name: User-Based Acceptance Drivers.” This refers to that consumers with more knowledge about mobile telecommunication or who are more frequent users of mobile phones as an information seeking tool or who are inspired to use mobile telecommunication from their social environment are also the consumers that are more likely to have positive attitudes towards mobile advertising. The following hypothesis can therefore be presented:

**H2. User-Based Acceptance Drivers influence on the consumer attitude towards mobile advertising.**

The third section above has identified perceived advertising factors that drive consumer acceptance towards mobile advertising. The factors found from the read literature are user perceived value\(^{147}\), trust\(^{148}\) and control\(^{149}\) from the mobile service. “These factors referred by the name: Advertising Acceptance Drivers.” The value describes the level of how valuable a consumer explores the marketing medium. Trust refers to level of trust consumers have towards the new medium while control refers to user-control of what, when, where and how often to receive an ad into the mobile phone. The level of user perceived value trust and control could thus be seen positively related to user attitude towards mobile advertising. The following hypothesis can therefore be presented:

**H3. Advertising Acceptance Drivers influence on the consumer attitude towards mobile advertising.**

The fourth and final section has identified mobile service factors that drive consumer acceptance towards mobile advertising. The factors found from the read literature are permission\(^{150}\), precision\(^{151}\), and incentive based mobile advertising services\(^{152}\). “These factors referred by the name: Mobile Service Acceptance Drivers.” Consumer approval of what to receive and when to receive was found to influence on the attitude towards the whole service. To receive monetary value of accepting mobile advertising was also found to have a positive affect on the consumer attitudes towards mobile advertising. The following hypothesis can therefore be presented:

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\(^{149}\) Ibid. 87-88

\(^{150}\) Ibid. 82

\(^{151}\) De Reyck, B., & Degraeve, Z. (2003). "Broadcast Scheduling For Mobile Advertising”, 509

**H4.** *Mobile Service Acceptance Drivers influence on the consumer attitude towards mobile advertising.*

Below is illustrated graphical representation model of the hypotheses and how these are related to the different acceptance drivers. This model forms therefore basis for our statistical test where Pearson correlation will be used. Results will be presented later on in the paper.

*Figure 3.2 Graphical representation model of our hypotheses*
4 PRACTICAL RESEARCH METHODOLOGY

This chapter provides the reader a presentation of how we conducted our study and the choice of research method, the hypothesis construction, the collection of empirical data as well as criticism towards our primary data and our methodology.

4.1 Choice of research method

When gathering empirical data to a chosen study, two different methods can be used for this specific purpose. These are the quantitative and the qualitative method.\(^{153}\)

The quantitative research method is in most of the cases related to the deductive approach and positivistic epistemology.\(^{154}\) The aim of a quantitative research method is to gather a large amount of empirical data to be able to describe specific phenomena and thanks to the large sample draw general conclusions. When conducting quantitative research surveys are often used.\(^{155}\) The questions are often very precise and do not give room for deeper answers.\(^{156}\) This can be seen as a downside and the researcher may not get a deeper understanding for the subject in focus when using surveys. The researcher has to find a sample of respondents who will fit the study in focus best.\(^{157}\) When performing a quantitative study the researcher is objective and his/her own preconception should not affect the gathered empirical data.\(^{158}\)

The qualitative research method is in the majority of cases related to inductive approaches.\(^{159}\) Trough this method a researcher is gathering the empirical data generally from few respondents. One of the common ways of gathering empirical data trough a qualitative method is trough different types of interviews.\(^{160}\) By using interviews the researcher can ask more detailed questions and receive more thorough answers. The researcher can also adjust

\(^{154}\) Ibid. 85
\(^{156}\) Ibid. 279
\(^{157}\) Ibid. 150
\(^{158}\) Bryman, A. & Bell, E. (2005) "Företagsekonomiska forskningsmetoder", 40
\(^{159}\) Ibid. 297
\(^{160}\) Ibid. 299
the follow up questions to the answer he/she receives. Through interviews the researcher has also a possibility to interpret the respondent in focus and get a deeper understanding for the respondent’s view of the specific problem. When using the qualitative method the researcher often put a large amount of effort in interpreting the empirical material. When performing this task the researcher is subjective and his/her preconception affects how the data is interpreted\textsuperscript{161}.

The purpose of our study is to create a picture of the attitudes are towards mobile advertising and how customer’s attitudes is affected based on different factors receiving. To get a reliable result we see it of great importance to collect a larger amount of data. We therefore think that the quantitative method fits the purpose of our study the best. By conducting a survey where the answer alternatives are limited enables us to collect a large amount of empirical data and transfer it into numbers. Thanks to that we can put all the respondents together and then get a general picture of how the attitudes are towards mobile advertising.

### 4.2 Survey

To gather our empirical data using a quantitative method we decided to use a questionnaire to complete this task. The main reason for our chose is that we want to collect a large amount of data and do not possess resources to conduct 120 interviews. Therefore a questionnaire seems as the best choice for our study. It takes less time to gather empirical data, we who perform the study influence the respondents the least when using a questionnaire and there will not be any variations in the questions\textsuperscript{162}.

### 4.3 Population

When conducting a study of this character it is of great importance to limit your study to a target population for the study. A target population is the population that the researcher identifies as the most suitable for his study\textsuperscript{163}. It can though often be hard to find a population that fits the target population. In our case we have identified the population of young adults as our target population. To get a result that reflects the young adult’s attitudes towards mobile advertising in whole Sweden the best way would be to send out questionnaires to young adults in different parts of Sweden. Unfortunately we do not have resources to gather data from that many respondents. We will therefore limit our study to young adults in Umeå. From the target population of Umeå we will choose a sample of respondents to fill out our questionnaire.

### 4.4 Sample

We are certain that a sample of 120 respondents will be enough to fulfil the purpose of our study. The target group we have identified as the most frequent mobile phone users are young adults, peoples in the age of 18-35 years. We also aim to get an equal share of male and female respondents. We are aware that leaving others groups can affect the result of our study.

\textsuperscript{161} Bryman, A. & Bell, E. (2005) ”Företagsekonomiska forskningsmetoder”, 298
\textsuperscript{162} Ibid. 162
\textsuperscript{163} Ibid. 110
But when mobile marketing becomes a regular marketing channel the biggest interest from
the organizations point of view will be on those who use their mobile phone the most and
therefore we see young adult attitudes as the most relevant ones.

Choosing a sample from a target population can be done with to different methods. These are
probability sampling and non-probability sampling\textsuperscript{164}. In the probability sampling process the
chance for every case in the target population to be chose is the same and known by the
researcher\textsuperscript{165}. In non-probability sampling some of the cases has bigger chances to be selected
for the sample then others. Both these methods can be used in several different ways.

In this study we will use a non-probability sampling technique called convenience sampling.
When performing a convenience sampling the researcher selects respondents that match his
target sample and who are easiest to get hold on and those that until he have reached the
necessary size of samples\textsuperscript{166}. We will collect our samples at the university campus of Umea.
The only criteria we have for our sample is the age 18-35 and a large majority of those who
studies at the university fits into our age frame. When using this type of sampling technique
the researcher may have hard to generalize the results from collected data. This problem is
less significant if the population where data collection is preformed has very little variation\textsuperscript{167}.
Our target population is young adults in the age of 18-35 years. By conducting our study at
the University of Umea we aim to do it where the variation in the population is low.

4.5 The questionnaire

One way of distributing the survey is by delivering them directly to the target sample in form
of individuals or groups and let them fill out the questionnaires\textsuperscript{168}. Then you can collect them
at once by letting every respondent give you the questionnaire when they are done. In this
type of cases it is important to assure the respondents that they answer will be completely
anonymous\textsuperscript{169}. This type of distribution has often a very high response rate and the researcher
is able to gather a great amount of data in short time. The biggest downside is though the high
risk of peer pressure affecting the respondents when filling out questionnaires in groups.

The method we have used to distribute our questionnaire is that we deliver them directly to
the target sample. By using this method we can gather the needed amount of data relatively
fast with a high response rate. As we mentioned earlier our target population is young adults
(18-35 years old). We therefore identify the Umea university campus as an ideal location to
find our target group. The young adults studying at Umea University comes from different
part of Sweden. By gathering our empirical data there we will not only gather young adult’s
attitudes toward mobile advertising from Umea but from the also from other parts of Sweden.
We will distribute our questionnaire at different parts of campus by asking students that
passes by to fill out our questionnaire. We will also try getting the possibility of coming to a
lecture and distribute our questionnaire there. Before letting a respondent answer our survey
we always explain the purpose of our study to them. We will be distributing our survey until

\textsuperscript{165} Bryman, A. & Bell, E. (2005) “Företagsekonomiska forskningsmetoder”, 120
\textsuperscript{167} Ibid. 312
\textsuperscript{169} Ibid. 312
we have gathered 120 cases which we think is a good for our study regarding the aspects of time and resources.

We are aware of the problem that by having direct contact with the target sample we can affect them and how they answer to our survey. Therefore we aim to be very neutral regarding the subject of mobile advertising and do not share our thoughts about it when explaining the purpose of our study. By being natural and having the survey designed and written in an easy understandable language we hope to have respondents filling it out individually and not asking us to explain different questions stated in the survey.

4.5.1 Construction of the questions

When designing a survey it is of great importance to put a lot of emphasis on which questions should be included how they will be constructed. When distributing a questionnaire it will be hard to do follow up questions on respondents if the researcher has realized that he/she has missed putting in other questions necessary for the study. The researcher must therefore construct the questions and evaluate them to see if they will provide the answers needed for the study in focus. By constructing very specific questions it will also be easier to evaluate them.

When we constructed the questionnaire we especially took our purpose, the language and the length of the questions in mind. First of all we wanted to construct question on which we could confirm or decline our hypotheses upon. If we would miss out on questions regarding one of our hypotheses then we would not be able to draw a conclusion about them. After constructing the questions we thought as important for our study the focus went over on language. We thought it was very important to make the language easy so respondents who are no familiar whit mobile advertising would be able to understand the questions anyway. To make the survey even easier to understand we decided to make it in Swedish. By using basic Swedish language our aim were the respondents would understand all the questions and be able to answer them independently. We have also constructed the questions in a way where we are only asking for one specific thing for every question. Longer and more complicated questions asking for more then one thing have been divided up into a main question followed by more specified questions. By dividing questions this way we hope to get a clearer picture of what the respondent thinks about the subject in focus.

4.5.2 Answering alternatives

When designing a survey the researcher can chose which type of answering alternatives he/she wants to offer the respondents. One of the alternatives is to use open-ended questions. By using those you give the respondent the opportunity to answer freely with his own word without limiting him to specific answers. Another alternative is to use close-ended questions. In this case you offer the respondent different answer alternatives which the respondent is restricted to.

171 Ibid. 187
172 Ibid. 190
173 Ibid. 190
When designing our survey we agreed on only using close-ended questions. Because of the amount of surveys we want to distribute we do not think that we would have time enough to go through 120 surveys with custom answers for each one. Many of our questions have to do with the respondent’s attitudes versus the subject in focus. Instead of writing what they feel, we offer them a scale of one to five where one is very negative and five is very positive. Other questions are designed by offering the customer four to five different alternatives to choose from for their answer. To gain as high response rate as possible these questions also have the alternative other where respondents who do not agree with the answering alternatives provided by us can choose that other alternative instead. By using close-ended questions, we made it easier for us to construct answers that are based on our theoretical framework.

We are though aware of the downside that the respondent may experience that they are not given the possibility to express exactly what they think about the subject in focus and it may possibly affect their interest in completing our survey.

4.5.3 Testing the questionnaire

Before distributing our survey to the target sample, the researcher should conduct a pilot study of the survey\textsuperscript{174}. To do this, we took contact with eight students at the University of Umeå to hear their opinions. These students have different academic backgrounds; some of them recently started their studies, while others are currently on their senior year. They had to fill out the first draft and leave comments on how they perceived our survey. This enabled us to see our survey from different perspectives and to see if the respondents interpret the questions as we meant them to be interpreted. By creating a focus group to validate our survey, we got an opportunity to see if the questions we constructed gave us the data we wanted and if we should erase some questions and put in new ones.

4.6 The empirical material

The empirical material we have gathered comes from 120 young adults (18-35) studying at different faculties at the University of Umeå.

4.6.1 Managing empirical material

The empirical material gathered through the survey was put together into Excel worksheets. All questions were put into one table where’s male and female respondents were separated. By doing these for each question, we got a better picture of how the respondents had answered and see if differences can be identified between the genders. All charts will also present how the both male and female respondents answered together. This will make it easier to see how many male or female of total respondents chose a specific answer. To confirm or dismiss our hypotheses, we used SPSS to run different tests to find out if our hypotheses are statistically supported. The charts made in Excel will be presented in the same order as the questions in our survey.

\textsuperscript{174} Bryman, A. & Bell, E. (2005) ”Företagsekonomiska forskningsmetoder”, 191
## 4.7 Construction of the hypotheses

A hypothesis is constructed in order to determine whether statistical evidence enables us to conclude that a belief about a parameter is supported by the data 175. Hypotheses are gathered to test quantitative data against literature or previous findings. We have been presented four hypotheses in our literature review, and in this section we aim to illustrate which factors we have taken into consideration for our Person correlation tests later on.

In a Pearson correlation tests a significant relation between two variables will provide us to reject the null hypothesis that no correlation exist and to confirm the research hypothesis that there is significant relationship. A relation is significant if the p-value is less than 0,05, in other words is the likelihood for two variables not to be significant less than 5 percent. The received correlation coefficient value will further provide to decide the strength between the variables. Able to statistically confirm a hypothesis from a Pearson Correlation test has the received p-value be below 0,05 and correlation value not close to zero.

Figure 4.1 shows how we have constructed our hypotheses for the Pearson correlation tests. The variables on the left also called the partial effects will be correlated to the variables to the right, which all represent the consumer Attitudes Toward Mobile Advertising (ATMA). The partial effects measure different user acceptance drivers of mobile advertising that were presented in the literature review. Partial effects and ATMA variables used for Pearson correlation were measured on a five point scale. In hypotheses 2 to 4 have the partial effects been constructed from several measures where each ones is a representative from one or several survey questions. The figure 4.1 presents closer which factors are involved.

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4.8 Credibility criteria

To fulfil different credibility criteria’s the researcher should measure what he/she intended to measure and do it in a good way so the measurements done should be generally applicable. It is therefore important to look at our survey respondent’s validity, reliability and generalisation\(^{176}\).

4.8.1 Validity

Validity measures whether our data collection instrument measured what it supposed to measure. The researcher should consider if the empirical data he/she gathered really will relevant to use and fulfils the purpose of the study\(^{177}\). If the researcher identifies that a large part of the data collected is irrelevant then the validity of the data will be very low because of the data not fulfilling its primary purpose. To avoid collecting irrelevant data we constructed

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all our questions based on or problem statement and our hypotheses. By eliminating questions that would not contribute any relevance to the purpose of our study we also aimed to collect empirical data with a high degree of validity.

4.8.2 Reliability

Reliability measures if the conducted study is trustworthy. To have a study with high dependability the data collected for it should be as stable as possible\(^{178}\). When the data is stable the researcher should be able to measure the same result. Someone else should also be able to reproduce the study and reach the same result\(^ {179}\). If the measurements within different occasions show different result the data measured is not stable. The reliability of the data collected also depends on the response rate and the design of the survey a researcher distributes to a target sample. To avoid low response rates we have personally handled out the questionnaire to our target sample\(^ {180}\). The questionnaire have also gone through pilot test before being distributed to assure that the questions will be correctly formulated and easy to understand. With this we hope to gain a high reliability of the measurements we perform on gathered data.

4.8.3 Generalisation

In quantitative studies the researcher often aims to show that the measurements done on a chosen sample could be generalized and representative for the rest of the target population. It is therefore of great importance to identify a target sample that is the most representative for the whole target population\(^ {181}\). To be able to generalize the findings on statistical ground the researcher should use probability sampling techniques\(^ {182}\).

We have used convenience sampling to gather our empirical material. It could therefore be hard to generalize our findings on statistical ground. We also know that by choosing a homogenous group as students can also affect the result. By doing this we are not taking in mind young adults who have full time jobs and those who are unemployed. By leaving them out limits our possibility to generalize the findings we got from our empirical data.

4.9 Criticism against primary data and the methodology used

When collecting primary data it is of great importance that you as a researcher will be able to review the collected data and the method used with a critical view.

\(^{178}\) Bryman, A. & Bell, E. (2005) "Företagsekonomiska forskningsmetoder", 95
\(^{180}\) Ibid. 288
\(^{181}\) Bryman, A. & Bell, E. (2005) "Företagsekonomiska forskningsmetoder", 100
4.9.1 Sampling error

If the researcher is not performing a study of the whole population samplings error can occur\(^{183}\). A sampling error is the difference between the chosen sample and the population the sample is based on\(^{184}\). Our target sample was young adults. Our definition of young adults was individuals in the age of 18-35. When identifying the students at Umeå University we have not taken in mind that there are students outside our age frame. When handing out our survey we do not ask them about their age. They have to fill it in them self at the end of the survey. The survey is not controlled before we have gathered the amount we need. Because of this sampling error is something we have to take in mind when gathering the empirical data.

4.9.2 Handling error

When the researcher has gathered the empirical material and investigated it he/she must then handle it. When handling data it is important to take in mind different types of handling errors that can occur. The most common handling errors are coding, registration to the computer and handling the data put inserted to the computer\(^{185}\). To avoid errors when coding the questions in our survey we gave every answering alternative numbers for each question. Before register our answers to the computer we gathered the empirical data manually on paper to see if the amount of answers were in order and to find out if any type of partial reduction had occurred. After performing this we place the data into the computer. To avoid errors while handling the data in programs like excel and SPSS we made up a plan before starting which type of charts would be created and which variables would be correlated against each other. By doing that we aim to no miss out on anything and before starting and having all the variables in order.

4.9.3 Reduction error

There are two types of reduction error. These are individual reduction and partial reduction\(^{186}\). In an individual reduction the respondents who have received a survey do not fill it out and do not send it back. Partial reduction occurs when a respondents fills out the survey provided to him/her but misses to fill out some questions. In our case individual reduction was not a problem. We handed out the surveys to the respondents and collected the directly when they were done. The partial reduction on the other hand was something we had to take in mind. We were not able to control every survey and then when finding questions not answered force the respondent to fill them in. We handled the partial reduction by presenting it for every question where it occurred. If the partial reduction was very big on a specific question we will discuss possible reasons for why it occurred.

\(^{183}\) Dahmström, K. (2000) ”Från Data insamling till rapport- att göra en statistisk undersökning”, 250
\(^{184}\) Bryman, A. & Bell, E. (2005) ”Företagsekonomiska forskningsmetoder”, 111
\(^{185}\) Dahmström, K. (2000) ”Från Data insamling till rapport- att göra en statistisk undersökning”, 266
\(^{186}\) Ibid. 254
4.9.4 Measurement error

Measure error is the difference between the presented value and the true value. To avoid measure errors it is of great importance that the measuring process is of high validity and reliability\textsuperscript{187}. We have already discussed how we will manage to try reaching high validity and reliability above. For instance we will try to reach a very high response rate for higher reliability and to have a high validity we have had our research problem in focus when designing questions for the survey to avoid irrelevant questions.

\textsuperscript{187} Dahmström, K. (2000) ”Från Data insamling till rapport- att göra en statistisk undersökning”, 262
5 PRESENTATION OF EMPIRICAL DATA

This chapter will provide the presentation of our empirical data findings. First we present the descriptive statistics that illustrate the results of the survey question. Afterwards we present our inferential statistic that include our Pearson correlation tests, which will provide us to decide the statistical confirm or reject of our constructed hypotheses in the literature review.

5.1 Descriptive presentation of the survey questions

This part will provide the descriptive presentation of this chapter, where we aim to present the results from our survey questions. The questions will be presented in the same order as in the survey we distributed to our respondents. Question 1 and 6 will not be obtained here. The complete survey will be presented in the appendix 1.

Question 2: What is your attitude towards advertisement in general?

On the question about individual’s attitudes towards mobile advertising we can see that over half part of the 120 respondents has a rather neutral attitude towards advertising in general. Any major differences between male and female can not be observed. Some of the male respondents have a slightly more negative attitude towards advertising in general while more female respondents are more positive. Very few respondents have answered that they have extreme attitudes towards advertisement (Very Negative & Very Positive). This shows that advertisement is something that people in general do not have very strong opinions about.
Question 3: In what way would you want to receive advertisement? (Rank alternatives 1-5 where 5 is the most preferable on)

In this question we wanted the respondents to rank the offered alternatives how they perceived to receive advertisement the most. They should give a five to the alternative they preferred the most and a one to the alternative they preferred the least. The numbers were summed up together and divided into the amount of respondents to see which one had the highest number. As we can see both TV and mail got the highest mean while mobile phone got the lowest one. There were no significant differences between male and female respondents. The male respondents were though more positive to internet advertisement than radio while female respondents were more positive to radio than the internet.

Question 4: Are you familiar with the expression mobile advertising since earlier?

Over half of the respondents are aware of the expression mobile advertisement. There can though been seen a difference between the males and females. A higher percentage of male respondents were familiar with mobile advertising. We find it quite surprising that such a large part of the respondents were aware of mobile advertisement.

Question 5: What is your attitude toward receiving advertisement in your mobile phone?

On the question which attitude the respondents would have against receiving ads trough their mobile phone a clear pattern can be seen. Almost 100 out of 120 respondents were negative or very negative against receiving advertisement trough their mobile phone. Only four (female) respondents had a positive attitude and one male respondent a very positive attitude against receiving advertisement directly to the mobile phone. Even if the respondents have a rather natural attitude towards
advertisement in general they do not seem to want receives advertisement to their mobile phone. This can depend on the knowledge gap over 40 of our respondents had about mobile advertising.

Question 7: How is your social environment influencing your attitudes towards advertising?

On the question of how an individuals social environment affected their view of advertisement a pretty clear pattern can be spotted. 84 respondents felt that they were moderate affected or affected a lot by their social environment, while the rest (36 respondents) is affected little or very little. No major differences can be spotted between male and female which indicates that they are probably affected to the same degree. Another aspect that can be identified that the social environment does not have a absolute affect on the respondent attitudes but can be seen as one of many factors that plays an role in individuals attitudes towards advertisement.

Question 8: Do you find it important to be able to approve which advertisement you will actually receive?

89 respondents out of 120 found it important or very important to be able to approve what typ of commercial is sent to their mobile phone. 35 respondents found it moderate important to be able to approve which type of commercial is sent to them trough their mobile phone. Only six respondents felt that that it was of a small or non importance to approve which type of advertisment will be sent to their mobile phone. The difference between male and female is not big besides that 20 male respondents found it very important to approve which type of advertisement were sent and only ten female respondents felt the same way. Otherwise a clear pattern can be seen that individuals experience it as important to have control over which type of advertisement they will receive.
Question 9: Do you find it important to control when you will receive advertisement?

*Figure 5.7 The degree of importance for respondents to control when they will receive advertisement.*

Over half of the respondents (62 out of 120) saw it as important or very important to have control over when they will receive advertisement. 39 respondents thought that it was of moderate importance to have this type of control. Only 19 respondents felt that having control over when the advertisement will be sent to them had very small or none importance. Therefore a pattern can be saw, shows that having control over when receiving advertisement to your mobile phone is important for young adults.

Question 10: Where would you most likely want to receive advertising?

*Figure 5.8 Respondents most preferred location of receiving advertisement*

The respondents wanted to receive advertisement the most at home (69 respondents) and while they were shopping (37 respondents.). There were not any significant differences between male and female regarding the most perceived place to receive advertisement. What also can be notice that almost no one would like to get advertisement under working hours.

Question 11: Do you use your mobile phone to search for information?

*Figure 5.9 Respondents usage of mobile phone as a tool for searching information*

Only about one of four (33) respondents have answered yes on the question if they are or have used their mobile phone to search for information. 87 respondents have not and are not doing that. Of those who answer yes the majority were male respondents (20). This question was followed up with two different questions, one for those who had answered yes and the other question for those who had answered the opposite.
**Question 11.1 If yes, how often do you use our phone to search for information?**

*Figure 5:10 Respondents frequency of using mobile phone as a tool for searching information*

Of the 33 respondents that answered that they are using their mobile phone to search for information only six answered that they are doing it often or very often. The rest of our respondents (27) did it only sometimes or very seldom. This shows that mobile phone is not a common tool to use when you are searching for information.

**11.2: If no could you consider to use your mobile phone as a tool for searching information?**

*Figure 5:11 Respondents willingness toward using mobile phone as a tool for searching information.*

Of those respondents who had never used the mobile phone as a tool for searching information a majority of them thought that they probably could use mobile their mobile phone for that purpose. When looking at those who answered that they would not and most probably would not use the mobile phone as a tool for searching information the majority of the respondents were females.

**Question 12: To which of the following uses have you used your mobile phone?**

*Figure 5:12 Mobile phone services used by respondents*

We asked the respondents to answer which type of services they have used their mobile phone to. This was a multiple choice question and gave. 36 respondents had used their mobile phone to downloading games and music. 35 respondents have used their mobile phone to read the newspaper. The interesting part was that 46 respondents had answered on the alternative something else and 20 respondents had not answered this
question. Of those who had answered something else some had written to call with and SMS. We suspect that many of those who did not answer the question thought that the question was aiming for the usage of extra services and not the basic ones. It would have been better of us to put a call/SMS answering alternative in the question as well to get a clearer result.

**Question 13: How good would you consider your knowledge of mobile telecommunication industry to be?**

*Figure 5.13 Respondents knowledge about mobile phones*

On the question about how good the respondents think their skills about mobile phones are 61 answered adequate and 35 answered good. Only 19 respondents thought that their mobile phone skills were limited or very limited. There is a difference in the answers between male and female respondents. More males answered that they had good or very good skills when more females answered that they had limited and very limited skills.

**Question 14 Do you express the mobile a more valued marketing channel than the traditional ones?**

*Figure 5.14 Respondents values of mobile marketing compared to traditional marketing channels*

What we can see is that most of our respondents (78) do not think that advertisement trough mobile phone could be more valuable than advertisement received trough other marketing channels. 33 respondents have answered that it maybe could be that way. Only nine respondents expressed mobile advertising as more valuable then trough other traditional marketing channels.
Question 15: What is your expression towards mobile advertising compared to traditional marketing mediums?

Figure 5.15 Respondents values of mobile advertisings trustworthiness compared to traditional marketing channels

On the question about individuals expression about mobile advertising towards traditional marketing medium most of the respondents (72) did not think there were any differences between advertising through mobile phone and other traditional marketing channel. 37 of the respondents saw mobile advertisement as less trustworthy than through other channels. Only 11 respondents expressed that mobile advertisement would be more reliable than through other marketing channels. Both male and female respondents had very similar thoughts about this question and therefore non significant differences could be identified.

Question 16: Would you consider receiving mobile advertising into your phone?

Figure 5.16 Respondents willingness of receiving advertisement to their mobile phone

A major part of the respondents (84) would not consider of receiving advertisement too their mobile phone while only 36 respondents would consider it. There are no major differences between the male and female respondents regarding this question. This question had a follow up question for those who had answered that they would not consider of receiving advertisement through their mobile phone.

Question 16.1: If not, why? (Choose between several alternatives)

Figure 5.17 Respondents reasons for not wanting to receive advertisement to their mobile phone
The respondents who answered no had mainly chosen three reasons for why they would not consider of receiving advertisement directly to their mobile phones. The largest reason was that the respondents (53) did not experience any benefits with receiving advertisement through their mobile phone. The second largest reason for the respondents (38) was that they were afraid of receiving junk mail (spam) through their mobile phones. The third largest reason was that the respondents (35) felt receiving advertisement to their mobile phone as a violation of their private life. 38 respondents also stated that the reason for not wanting to receive advertisement to their mobile phone was because of their attitudes towards advertising and their lack of confidence for the mobile phone as a marketing channel. The largest differences between male and female respondents are that males were more negative towards advertisement and mobile advertisement while female respondents saw it as a violation of their private life.

**Question 17.1 would your attitude towards mobile advertising change if you had the possibility to choose what kind of ad actually receive into your phone?**

*Figure 5:18 the degree of affect on respondent attitudes towards mobile advertising when being able to decide what ads they will receive to their mobile phone*

What we can see here is that our respondent attitudes towards mobile advertisement could be affected if they had control over which type of ads they would receive. 83 respondents would thought that their attitudes would be affected and affected a lot if the had control over choosing which type of advertisement they would receive. 18 answered that they probably would be affected. Only 19 respondents thought that they would probably be not affected by that factor. The difference that can be identified between male and female respondents is that male respondents would be affected more in general then female respondents when having this possibility of choosing which type of advertisement they would like to receive.

**Question 17.2: Would your attitude towards mobile advertising change if you had the possibility to choose when you actually want to receive ads into your phone?**

*Figure 5:19 The degree of affect on respondents attitudes towards mobile advertising when being able to choose when to receive advertisement*

What we can see from this chart is that the respondent attitudes toward receiving advertisement to their mobile phone could change if they would have control over when the advertisement would be received by them. Over half of the respondents (61) answered that their
attitude would get affected or affected a lot. 40 respondents answered that they would probably be affected if they had control over when they would receive advertisement to their mobile phone. Only 19 respondents answered that they would probably not be affected or not be affected at all. Among those who would not be affected the female respondents were a large majority (14 respondents).

**Question 17.3: Would your attitude towards mobile advertising change if you received monetary award in form of free connection time in order to receive advertising into your phone?**

*Figure 5.20 The degree of affect on respondents attitudes towards mobile advertising when receiving compensation for received ads to their mobile phone.*

What we can see here is that a large majority of the respondents (89) answered that their attitudes would get affected if they received free SMS/MMS or dialling time for receiving advertisement to their mobile phone. 25 respondents answered that they would probably get affected and only 6 respondents answered that they would probably not or not at all be affected by receiving this type of compensation. No significant differences can be seen between the male and female respondents. What can though be identified is that this type of reward or compensation would affect our respondent attitudes the most.

**Question 18: In what format would you like to receive advertisement to your mobile phone?** (Multiple choice)

*Figure 5.21 Respondents preferred format on ads sent to their mobile phone.*

The respondents would mostly like to receive advertisement to their mobile phones in form of text messages (60) and pictures (45). 28 respondents also wanted to receive advertisement to their mobile phone in video format. Only two respondents wanted to receive their advertisement in audio format. This was a multiple choice question and the majority of those who answered text message also wanted to have pictures in the received advertisement. The biggest difference between male and female respondents was that more males wanted to have pictures and video while females rather wanted text.
**Question 19** Do you think that advertisement directly to your mobile phone has some advantages compared to the regular marketing channels (TV, Radio, and Mail)

*Figure 5.22 Respondents view of advantages with mobile advertising compared to traditional marketing channels*

For the last question we asked the respondents to answer which futures were better with mobile advertising than with traditional ways of receiving advertisement. A majority of the respondents (62) found the future of receiving free SMS/MSS or calling time as positive aspect of mobile advertising. The answering alternative that got the second most answers (35) were that the respondent do not see any type of advantages with mobile advertisement. 22 respondents thought that an advantage with mobile advertisement would to be able to decide when you want to receive ads. 15 respondents also answered that it is comfortable. This question also shows that our respondents are mostly affected by financial compensation.

### 5.2 Inferential statistics presentation

This part will provide the inferential statistics presentation where we present the results from the Pearson correlation tests, which were constructed between the different variables in our hypotheses. The result from our correlation test will enable us to see if the hypotheses presented in our literature review are statistically confirmed or not. This section will start with a presentation of the p-value and correlation value, which has our main focus in the correlation test, and will provide us to create a better discussion and analysis chapter. The hypothesis will be judge according from these received values. At the end of this section is our hypotheses construction model, including Pearson correlation test results presented (Figure 5.23).

#### 5.2.1 P-value and correlation value

A significant relation between two variables will provide us to reject the null hypothesis that no correlation exist and to confirm the research hypothesis that indicates a significant relationship. P-value shows the likelihood of two variables to be significant, and a value under 5 percent or 0.05 indicates a significant relation between two variables. The correlation value illustrates further the strength between the variables.
The received correlation values from the Pearson correlation tests will provide us the information how strong the correlations between two variables are. The correlations can vary from +1 to -1 as is shown in figure 5.3 below. A value of +1 represents a perfect positive correlation, which explains that the two variables are precisely related and that an increase on one variable will also lead to an increase on the second variable. A vale of -1 represents a perfect negative correlation, which explains that the variables are again perfectly related however in a negative correlation will an increase on one variable be associated with a decrease on the second variable. A correlation value near of zero explains that the variables are perfectly independent.

5.2.2 Pearson correlation test

This part presents the result from our Pearson correlation tests (Tables 5.1 to 5.4). Our results gathered with the statistical software program SPSS illustrate a significant relation between all our constructed variables and a weak positive correlation, which provide us to statistically confirm our hypotheses.

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190 Ibid, 364
Table 5.1 Correlation between User Acceptance of Advertising and consumer Attitudes Towards Mobile Advertising

UAA = (User Acceptance of Advertising)
ATMA = (Attitudes Towards Mobile Advertising)

** Correlation is significant at the 0.01 level (2-tailed)

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<th>UATA</th>
<th>ATMA</th>
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<tr>
<td>UAA</td>
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<tr>
<td>ATMA</td>
<td>Pearson Correlation</td>
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<td>120</td>
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The table 5.1 presents the correlation between consumer Attitudes Towards Mobile Advertising and User Acceptance of Advertising. The table illustrates a correlation value of 0.326 between the variables and a significance of 0.000. Our first hypothesis is therefore statistically significant and confirmed with a weak positive correlation between the variables.

Table 5.2 Correlation between User-Based Acceptance Drivers and consumer Attitudes Towards Mobile Advertising

ATMA = (Attitudes Towards Mobile Advertising)
UBAD = (User-Based Acceptance Drivers)

* Correlation is significant at the 0.05 level (2-tailed).

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<th>ATMA</th>
<th>UBAD</th>
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<tbody>
<tr>
<td>ATMA</td>
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</table>

The table 5.2 presents the correlation between consumer Attitudes Towards Mobile Advertising and User-Based Acceptance Drivers, which includes the User Social Norms, User Existing knowledge, and user Information Seeking Behavior. The table illustrates a correlation value of 0.210 between the variables and a significance of 0.021. Our second hypothesis is therefore statistically significant and confirmed with a weak positive correlation between the variables.

Table 5.3 Correlation between Advertisement Acceptance Drivers and consumer Attitudes Towards Mobile Advertising

ATMA = (Attitudes Towards Mobile Advertising)
AAD = (Advertisement Acceptance Drivers)

** Correlation is significant at the 0.01 level (2-tailed).

<table>
<thead>
<tr>
<th></th>
<th>ATMA</th>
<th>AAD</th>
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<tbody>
<tr>
<td>ATMA</td>
<td>Pearson Correlation</td>
<td>.282(**)</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.002</td>
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<td></td>
<td>N</td>
<td>120</td>
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<tr>
<td>AAD</td>
<td>Pearson Correlation</td>
<td>.282(**)</td>
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<td></td>
<td>Sig. (2-tailed)</td>
<td>.002</td>
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<tr>
<td></td>
<td>N</td>
<td>120</td>
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</tbody>
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The table 5.3 presents the correlation between consumer Attitudes Towards Mobile Advertising and Advertisement Acceptance Drivers, which includes user perceived value trust and control of advertising. The table illustrates a correlation value of 0.282 between the variables and a significance of 0.002. Our third hypothesis is therefore statistically significant and confirmed with a weak positive correlation between the variables.
Table 5.4 Correlation between Mobile Service Acceptance Drivers and consumer Attitudes Towards Mobile Advertising

ATMA = (Attitudes Towards Mobile Advertising)  
MSAD = (Mobile Service Acceptance Drivers)

** Correlation is significant at the 0.01 level (2-tailed).

The table 5.4 presents the correlation between consumer Attitudes Towards Mobile Advertising and Mobile Service Acceptance Drivers, which includes permission, precision and incentive based mobile advertising services. The table illustrates a correlation value of 0.361 between the variables and a significance of 0.000. Our fourth hypothesis is thus statistically significant and confirmed with a weak positive correlation between the variables.

This section has presented the correlation results from the four hypotheses that were constructed in our literature review. The results gathered from this section will provide us to construct a better discussion chapter as well as enabling us to more correct conclusions at the end of this paper. Below is presented a figure including our variables for the Pearson correlation tests. In the middle we present a summary of our correlations and p-values (referred to a Sig. 2-tailed in the model) received from the test. This figure is presented to provide overall picture for the reader from our correlation test result and to remind which factors been represented in each variable and partial effects.

Figure 5.25 A Graphical representation model of our hypotheses and their correlations
6 DISCUSSION AND ANALYSIS

This chapter we will provide the reader a discussion and analyse of our empirical findings. The purpose is to drive a deeper analyze of our empirical findings and relate them to the literature. The outcome of our discussion and analyse will further provide us to state a final conclusion of our stated hypotheses that will be presented in the conclusion chapter. This chapter is constructed to discuss one hypothesis in each section.

6.1 An analyse of User Acceptance of Advertising

Bauer (2005) states in his article that user acceptance of advertising in general drives the consumer attitudes towards mobile advertising. The author explains that if users have a former negative attitude towards advertising are they most likely to have negative attitudes towards new advertising channels (in this case mobile advertising) as well. Our first hypothesis that User Acceptance of Advertising Influence on the consumer attitude towards mobile advertising, could thus be presented.

The Pearson correlation test between User acceptance of Advertising and consumer Attitudes Towards Mobile Advertising shows a statistically significant, weak positive correlation between the variables, which enables a statistical confirmation of our first hypothesis. Further, we aim to discus and analyse the factors including our hypothesis and connect them to our practical data and literature findings.

When looking back at our empirical findings differences can be identified. Our respondent’s attitudes toward advertising in general (Figure 5.1) showed that over half of them had neutral attitudes towards advertising. The amounts of respondents having negative or very negative attitudes towards advertising in general were the same as those who have positive or very positive attitudes. When we asked the respondents about their attitudes towards receiving advertisement in their mobile phones the result was different (Figure 5.4). 97 out of 120 respondents attitudes were negative or very negative and only five respondents were positive very positive towards receiving ads in their mobile phone.

If we look at figure 5.2 we can see that our respondents prefer to receive advertisement trough TV and mail which are some of the traditional marketing channels. Our respondents are more used to receive advertisement trough those marketing channels. I figure 5.2 we can see that receiving advertisement trough mobile phone is the least preferred one by our respondents. Mobile advertisement does not belong to the traditional marketing channels. We think that the respondent negative attitudes are related with them not being used to receive advertisement trough their mobile phones. Only 36 of 120 respondents answered that they could consider receive advertisement to their mobile phones.
The main reasons for not wanting to receive ads through the mobile phone were not experiencing any advantages with mobile advertisement, concern about spam messages and violation of their private life (Figure 5.16). We can see here that the respondents seem to feel concern about mobile advertising as a new medium. This type of advertising can be experienced. Through this medium advertiser can reach consumers at any time of the day. Factors as these give us an understanding for why consumer attitudes towards mobile advertisement are negative. We think that another contributing aspect to the negative attitudes have to do with what consumers are used to. If they are not used to having their mobile phone as marketing channel also contributes to their attitudes. They instead see the risks associated with mobile advertising and this affects their attitudes negatively towards it.

This section has discussed User Acceptance of Advertising to drive consumer attitudes towards mobile advertising.

6.2 An analysis of User-Based Acceptance Drivers

Several authors highlight user-based factors to drive consumer acceptance of mobile advertising. Bauer (2005) presents user existing knowledge towards mobile telecommunication and user information seeking behaviour to influence consumer attitudes of this new medium. Barnes (2005) presents user social norms and social environment to influence consumer attitudes towards new technology. Our second hypothesis that User-Based Acceptance Drivers influence on consumer attitudes towards mobile advertising, could thus be presented.

The Pearson correlation test between User-based Acceptance Drivers and consumer Attitudes Towards Mobile Advertising shows a statistically significant, weak positive correlation between the variables, which enables a statistical confirmation of our second hypothesis. Further, we aim to discuss and analyse the different factors including our hypothesis and connect them to our practical data and literature findings.

Bauer (2005) defines that user knowledge determines the user’s ability to understand the features and usage of an innovation and that high knowledge about mobile communication industry provides thus a better understanding of innovations, like mobile advertising. Users with higher knowledge about mobile communication industry are thus considered to possess better knowledge of mobile advertising and therefore also to have positive attitudes towards the service. In our survey research we asked the respondents if they considered having good knowledge of the mobile communication industry. The survey result shows that majority of our respondents consider their knowledge of mobile communication industry to be moderate or good (figure 5.13), which illustrates that our responds possesses the basic knowledge of the industry and that it is unlikely that our respondent’s general negative attitudes towards mobile advertising should depend on a lack of knowledge of the industry. A matter of fact, just 7 respondents answered that their negative attitude towards mobile advertising did depend or did partly depend on their lack of knowledge (Figure 5.17). Another result illustrates that 75 of our 120 respondents were familiar with the expression mobile advertising, while 45 expressed never heard of it (Figure 5.3). Our empirical findings on consumer knowledge of mobile communication and its influence on consumer attitudes towards mobile communication do indicate weaker evidence compared to what literature states.
According to our findings people are relatively familiar with the technology as well as the service of mobile advertising. These experiences can though be seen to be explored from comparable services including spam mails and other commercials, providing no value for the users and therefore shaping a negative attitude among users. Earlier experiences from comparable services may thus be seen to influence consumer attitudes towards new upcoming services and technologies, like in our case. Therefore it’s also hard to discuss if user knowledge about mobile advertising as we present it, influence their attitudes towards the service. It’s also considerable that users generally would build more positive attitudes of the mobile as an advertising channel with the right information received from it, and without any preconceptions of the service. In that manner our survey question don’t provide the right kind of information to our conclusions. People do feel, according to our empirical data more concerned about other issues than their knowledge lack while we consider that negative attitudes are explored among our respondents because of their lack of knowledge, and their preconceptions of this service.

Bauer (2005) presents user motivation and willingness to search for external information as well as user desire to be pleased with external information to affect user attitudes towards an external information source. We believe that if a mobile phone or more precisely a mobile ad can fulfil this gap it is considerable that consumer attitudes towards mobile advertising would be more positive. In order to see if there is a connection between user external information seeking behaviour and their attitudes towards mobile advertising we asked them if they used mobile phone as an external information seeker source, or if they would consider using their phone to search or receive external information with. The result on the survey illustrates that only 33 respondents used their phone to search for external information while 87 did not (Figure 5.9). The 33 respondents who answered yes where further asked how often they used this mobile service, while the rest 87 where asked if they could consider using this mobile service. The results show that the majority of mobile phone service users used it sometimes or seldom, while the majority who did not use this service yet could consider using it in the future (Figure 5.10, 5.11). Its considerable thus that our respondents in general don’t explore their mobile as a good information seeking tool, nor that they use it to explore new service innovations, coming up on the mobile communication market, which explains also their general negative attitude towards the service. Bauer (2005) statement that the more distinctive the information seeking behaviour is, the more positive the attitude towards mobile advertising are in general, can thus be seen to fit with our empirical findings. Although do our case show this the other way around, and defines that low user information seeking behaviour is related with the general negative attitudes. The empirical data shows also that users are not mature yet for this kind of use which probably relates to the high fees on searching for information by using the mobile and that some users don’t have mobiles including the proper technology. This type of mobile use can thus be seen to become more usable in the future. Mobile advertising can therefore also be seen to have its boom first after a couple of years here in Sweden.

Barnes (2005) presents user social norms like the social environment to influence and shape user attitude towards mobile advertising. We believe that positive and negative experiences will be spread between social environments. Friends and co-workers are thus considered to have an influence on the shaped user attitude, especially when a new innovation like mobile advertising is in focus. Because previous literature findings pointed out that consumer attitudes towards advertising in general are related to the attitude towards mobile advertising we asked our respondents in our survey if their social environment have influenced their attitudes towards advertising. The result from our survey question illustrates that our
respondents explore a moderate influence from their social environment towards advertising. In fact 67 of our 120 respondents answered that their social environment had a moderate affect on their attitude towards advertising (Figure 5.5). In other words is it not possible to state that the social environment should have a remarkable influence on our respondent’s attitude of advertising. This result shows therefore a weaker relation between user social norms and their attitudes towards mobile advertising, compared to the literature.

This section has discussed the factors that are defined as User-Based Acceptance Drivers of mobile advertising.

6.3 An analyse of what drives consumer acceptance towards advertising

Several authors highlight advertising based factors to drive user acceptance of mobile advertising. Tsang (2005) presents perceived advertising value, while Carroll (2007) presents factors like perceived trust and control as advertising factors to influence consumer attitudes towards mobile advertising. Our third hypothesis that Advertising Acceptance Drivers influence on the consumer attitude towards mobile advertising, could thus be presented.

The Pearson correlation test between Advertising Acceptance Drivers and consumer Attitudes Towards Mobile Advertising shows a statistically significant, weak positive correlation between the variables, which enables a statistical confirmation of our third hypothesis. Further, we aim to discus and analyse the different factors including our hypothesis and connect them to our practical data and literature findings.

Tsang (2005) presents user perceived value of a technology to influence the user attitude also towards that technology. It’s considered thus that the user explored value from mobile advertising defines the user attitudes towards the mobile advertising. To deal with this we asked our respondents in our survey questionnaire how they perceived mobile advertising compared to other marketing. The survey results show that an extreme majority of our respondents answered that they did not explore a greater value from mobile advertising compared to traditional marketing channels (Figure 5.14). 57 of or respondents did also express their negative attitudes towards the service to depend or partly depend on a low explored advantage of receiving mobile advertising (Figure5.17). It’s nevertheless important to consider that many of the respondents did not have real life experience of receiving mobile advertising into their phones or that the answers were made by preconceptions of this service. This may thus have affected respondents answer on the question, which instead could have affected our received result from the survey. The perceived value of the mobile as an advertising channel was explored low among our respondents which do show a connection to the general negative attitude of mobile marketing. Again our result agree with the theory although it shows it the other way around, that a low user perceived value do relate to a negative attitude. The author’s statement of the perceived value as an acceptance driver of mobile advertising can thus be supported with our findings. Making user explore value from the service is thus considered one of the main issues on the way of creating a successful business.

Carroll (2007) defines that consumer trust towards a new technology will determine the success of that technology, thus also to mobile advertising. It has also been explained that the user perceived trust towards a technology is positively related to the consumer attitudes of
that technology. Therefore we aim to see if our respondent’s general negative attitudes of mobile advertising are related with their lack of trust in the mobile as an advertising medium. The respondents were asked how they would explore advertising in mobile phones compared to other marketing channels. Differ from the perceived value was the majority of our respondents neutral to this question, which shows that there general negative attitudes don’t relay that much on the lack of trust against the service (Figure 5.15). In fact no more than 18 of our 120 respondents answered that their negative attitudes did or did partly depend on a lack of trust towards mobile phone as a marketing medium (Figure 5.17). The empirical data indicates therefore a weaker relation between users’ perceived trust towards mobile advertising and their attitudes towards mobile advertising compared to the literature findings. Considering our respondent which consisted just university students at a relatively young age it is expectable that trust towards new upcoming technology and the use of new technology are higher than for older peoples. If our survey had concluded user all ages, would it also be considerable that the relation between users trust and attitudes towards mobile advertising to be stronger and to be more negative compared to the received result. Internet banking is an excellent example where this trend can be recognized.

Carroll (2007) presents that consumers are in need for some control in order to accept advertisement in their mobile. Therefore is it also considerable that user perceived control of mobile advertising is positively related to consumer attitudes towards the service. We assume that peoples negative attitudes towards advertising in general as well as towards mobile advertising is because the feeling of a mass information flow that do not provide any relevant value to the user. To see if our respondents felt the same way we asked them if the consider it important to have control on when, where, and what kind of advertising to receive. The majority of our respondents considered it important to have control over what kind of advertising to receive (Figure 5.6). The same trend could also be seen on our respondent attitudes on when to receive the advertising, although it’s weaker than for what kind of advertising to receive (Figure 5.7). Further it can be mentioned that 69 of our 120 respondents would most likely receive advertising at home, while 37 would prefer it actually when shopping (Figure 5.8). As it can be seen from our results, and as the literature presents it, users are overall in favour of control of the received advertising. It is therefore considerable that a mobile phone should enable more personalised, more value added advertising service for its users if it could provide its users to have some advertising control.

This section has discussed the factors that are defined as Advertising Acceptance Drivers of mobile advertising.

### 6.4 An analyse of Mobile Service Acceptance Drivers

Several authors highlight mobile service based factors to drive user acceptance of mobile advertising. De Reyck & Degraeve (2003) identifies location based or precision based mobile advertising to drive consumer acceptance of the service, while Michael & Salter (2006) identifies the permission based service as a significant factor. Incentive based service presented by Varshney (2003) is also argued to include this category of user acceptance drivers. Our fourth hypothesis that Mobile Service Acceptance Drivers influence on the consumer attitude towards mobile advertising, could thus be presented.

The Pearson correlation test between Mobile Service Acceptance Drivers and consumer attitudes towards mobile advertising shows a statistically significant, weak positive
correlation between the variables, which enables a statistical confirmation of our fourth hypothesis. Further, we aim to discuss and analyse the factors including our hypothesis and connect them to our practical data and literature findings.

De Reyck & Degraeve (2003) states in their article that consumer attitudes towards mobile advertising are affected by the location and time when the receive advertisement. The consumer can for instance receive advertisement actually when shopping. To influence the consumer attitudes even more it is of great importance to make them able to give approval of what advertisement they will receive and when according to De Reyck & Degraeve (2003). Michael & Salter (2006) states that consumer permission to be one of the most important factors affecting consumer attitudes towards mobile advertising. The consumer wants to approve which advertisement is sent to them to avoid factors as spam mail. What we can see from our literature review is that consumers experience these types of mobile advertisement characteristics where they receive control as positive. The third mobile advertising characteristic that can affect consumer attitudes is incentive based advertising. According to Varshne (2003) consumer attitudes towards mobile advertising will be positively affected when receiving services of monetary value for accepting advertisement. What we can see from our short summary of the literature review is that characteristics like location, permission and incentive will affect consumer attitudes toward mobile advertising.

When looking at our empirical findings a majority of the respondents answered they would be affected if mobile advertisement possessed the characteristics mentioned above (figure 5.18-5.20). These findings are equal to what the theoretical framework states. The consumers want to have control. Why is it then so important for the consumers to have control over which type of advertisement they receive to their mobile phone? Barwise and Strong (2002) states their in article that consumers worry about receiving spam into their mobile phones. The consumers see it therefore as important to have control over what advertisement is sent to them. They want to be able to confirm it before it is sent to them. According to Bauer (2005) consumer attitudes are also affected negatively because they experience mobile advertising as a violation towards their privacy. Our empirical findings show that the two of the largest reasons for our respondents not wanting to receive advertisement to their mobile phone (Figure 5.17) is concern about receiving spam and violation of their privacy. We see this as a good explanation to why our respondents answered they want to be able to confirm the advertisement sent to them and have control over when they receive it. If mobile advertising would be permission based and the consumers would be able to decide when they receive ads concerns like spam and privacy violation would be minimized. Even if advertisers would like to send a large amount of ads to consumers they would not be able to do that without the consumer permission.

The characteristic that would affect our respondents attitudes the most were if they received monetary rewards for accepting ads to their mobile phone. We think that this result is pretty obvious. By being rewarded with free SMS/MMS for receiving advertisement creates value for the consumer. We asked consumers what they think would be the biggest advantage with mobile advertising compared to traditional marketing channels. The majority chose receiving monetary reward as they answer (Figure5.22). This shows how big influence different types of monetary rewards have on consumers and it seems to be a good way to influence their attitudes toward mobile advertising.

This last section has discussed the factors that are defined as Mobile Service Acceptance Drivers of mobile advertising.
7 CONCLUSIONS

This chapter of will provide the reader with an answer to our problem statement and the conclusions we drawn from our study. This chapter will end with the author reflections about the strengths and weaknesses of their study and some recommendation for further research in this area.

The purpose of our paper was to create a better understanding of mobile advertising in order to draw conclusions of factors influencing consumer attitudes towards this new marketing medium. The focus has been to highlight factors driving user acceptance of mobile advertising. The problems statement for our paper was to investigate

What are young adult attitudes towards mobile advertising and which factors affects them?

The result from our study shows that users have generally negative attitudes towards mobile advertising. Regarding our problem about what factors affect consumer attitudes towards mobile advertising following conclusion can be drawn. Of our four hypotheses where each presents a different driver that could affect consumer attitudes towards mobile advertising, a weak positive relation has been identified between each one. This means that all these drivers identified earlier influence young adult attitudes towards this new marketing channel to some extent. We can therefore draw the conclusion that our hypotheses have been confirmed, although the relation is weaker than the literature indicates. Our results underline the importance of embodying mobile advertising to young adults. In order to make mobile advertising into a lucrative business a huge consideration is to focus on to provide value for the customers for using this service. We have identified permission and incentive based mobile advertising approaches as the most significant user acceptance drivers towards this new marketing medium.

To summarize this paper we would like to bring forward reflections regarding the strengths and weaknesses of our study and give recommendations for further research.

This study has provided an insight into the area of mobile advertising and clarified young adult attitudes towards mobile advertising. It has also managed to identify different factors influencing on young adults attitudes towards this new marketing, and the success factors in order to create a lucrative business. A limitation of our study is that it’s focused on young adult attitudes at age of 18-35. By only distributing our survey to students at Umeå University we do not take in mind attitudes of young adults that are not studying which limit our findings. Another limitation of our paper is the survey distributed by us. After gathering the empirical data we realized that it would have been appropriate to put in some more question in the survey or just to rephrase some of our survey questions, in order receive a deeper understanding for our respondent’s answers and attitudes.

This study has provided a view on consumer attitudes towards a new rising marketing channel defined as mobile advertising. This study has also defined that the parts involved in mobile advertising industry are consumers, advertisers, and the mobile network providers or service operators. According to our personal source Björn Stenbacka a Ph. D. Student in mobile marketing in Wasa, Finland are the large mobile operators neither positive towards mobile advertising industry nor willing to be involved as a provider in the supply chain for mobile marketing. On the other hand this do open for opportunities for new companies on the market, and it’s to be expected that several new companies in the area will occur on the mobile
advertising market within few years. One has been identified to be Blyk (about.blyk.com). A study on how these companies build up their strategies and design their mobile service will thus provide a new interesting research area, in the category further researches. Another interesting area for further study would also be to see if the design and structure of their mobile marketing services match the findings that our paper has provided.

Finally, we think that mobile advertising will go through tremendous growth the coming years. It will be very interesting to follow the progress and see if it will become one of the common used marketing channels like the internet. It would also be interesting to repeat our study in the future when mobile advertising becomes a more established concept among consumers and see if their attitudes towards mobile advertising have changed.
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- Björn Stenbacka, PhD student at the Swedish School of Economics and Business Administration, Finland, in the area of mobile marketing and CEO of Sports Telecom, Finland, a company specialized in coordinating mobile operation for brands and rights owners.
APPENDIX: 1

The complete set of questions and answers from our survey (120 respondents).

Question 1: How often do you come in contact with advertisement?
Every day____ Couple of times every week____ Once a week____ Couple of times every month____

Question 2: What is your attitude towards advertisement in general?
Very negative  Neutral  Very positive
1   2   3   4   5

Question 3: In what way would you want to receive advertisement? (Rank alternatives 1-5 where 5 is the most preferable on)
TV____ Radio____ Mail____ Internet____ Mobile phone____

Question 4: Are you familiar with the expression mobile advertising since earlier?
Yes___ No___

Question 5: What is your attitude toward receiving advertisement in your mobile phone?
Very negative  Neutral  Very positive
1   2   3   4   5

Question 6: Does your knowledge affect you in a purchase decision?
Yes___ No___

Question 7: How is your social environment influencing your attitudes towards advertising?
Very little  Moderate  Very much
1   2   3   4   5
Question 8: Do you find it important to be able to approve which advertisement you will actually receive?

No importance at all  Moderate  Very important
1  2  3  4  5

Question 9: Do you find it important to control when you will receive advertisement?

No importance at all  Moderate  Very important
1  2  3  4  5

Question 10: Where would you most likely want to receive advertising?

At Home___  At Work___  While shopping___ Other____

Question 11: Do you use your mobile phone to search for information?

Yes___  No___

Question 11.1 If yes, how often do you use our phone to search for information?

Very seldom  Sometimes  Very often
1  2  3  4  5

11.2: If no could you consider to use your mobile phone as a tool for searching information?

Not possible  Maybe  Very possible
1  2  3  4  5

Question 12: To which of the following uses have you used your mobile phone?

Download music/games_____  Read the newspaper_____  Follow the stock market_____  Other____
Question 13: How good would you consider your knowledge about mobile phones to be?

Very limited  Moderate  Very good
1  2  3  4  5

Question 14 Do you express the mobile as a more valued marketing channel than the traditional ones?

Do not consider that  Maybe  Consider that
1  2  3  4  5

Question 15: What is your expression towards mobile advertising compared to traditional marketing mediums?

Less trustworthy  No difference  More trustworthy
1  2  3  4  5

Question 16: Would you consider receiving mobile advertising into your phone?

Yes___ No___

Question 16.1: If not, why? (Choose between several alternatives)

Negative attitudes towards advertising____ Concerned about receiving spam to my mobile phone____ Lack of trust for the mobile phone as a marketing channel____ Does not experiencing any advantages of receiving advertisement to my mobile phone____ Consider my self having lack of knowledge about mobile advertising____ Would see this as a violation of my private life____

Question 17.1 would your attitude towards mobile advertising change if you had the possibility to choose what kind of ad actually receive into your phone?

Not affect  Probably affect  Affect a lot
1  2  3  4  5
Question 17.2: Would your attitude towards mobile advertising change if you had the possibility to choose when you actually want to receive ads into your phone?

Not affect Probably affect Affect a lot
1 2 3 4 5

Question 17.3: Would your attitude towards mobile advertising change if you received monetary award in form of free connection time in order to receive advertising into your phone?

Not affect Probably affect Affect a lot
1 2 3 4 5

Question 18: In what format would you like to receive advertisement to your mobile phone? (Multiple choice)

Text Audio Picture Video

Question 19: Do you think that advertisement directly to your mobile phone has some advantages compared to the regular marketing channels (TV, Radio, and Mail)

Comfortable The possibility of receiving advertisement when you want Obtain financial rewards in form of free SMS/MMS or calling time Other No Advantages