

Chapter XII

Cross–Cultural Consumer Perceptions of Advertising via Mobile Devices: Some Evidence from Europe and Japan

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ABSTRACT

This chapter tries to answer the question on how international consumers differ in their perceptions of mobile advertising (m-advertising). In order to answer this research question a survey among mobile phone users was carried out in Austria and in Japan. These two countries have been selected because they show a high dissimilarity in culture in historical terms but also in the degree of technological development and usage. Both countries experienced a similar economic development and show comparable living standards. Furthermore, Japan and Austria are leading markets for advanced mobile technology in their geographic areas. On the basis of the literature review, variables picturing perceptions of m-advertising are defined, hypotheses in comparing consumer perspectives in the respective countries are presented, and results of the MANOVA analysis are shown and discussed. Finally, the paper presents theoretical and managerial implications, limitations, and recommendations for future research on this issue.

INTRODUCTION

Permanent Internet access enabled by mobile devices like mobile phones or PDAs is becoming more and more widely used. Mobile technologies open up new challenges for companies which want to benefit from mobile commerce (m-commerce).

One of the most important commercial applications in this respect is marketing. Marketing instruments using mobile devices (m-marketing) allow innovative forms of customer relationships and interaction. They can lead to the development of numerous m-commerce-based services (Venkatesh, Ramesh, & Massey, 2003). In m-

commerce, a mobile phone can serve as a “portable entertainment player, a new marketing tool for retailers and manufacturers, a multi-channel shopping device, a navigation tool, a new type of ticket and money, and a new mobile Intranet device” (Funk, 2004, p. 2).

Compared with computer-based e-commerce, m-commerce is a very new area of development. As a consequence, m-commerce applications have been subject to academic research to a much lesser extent. Many potential applications of m-commerce are still under researched. One of them is the application of mobile devices for advertising purposes. One important exception is the empirical study by Okazaki (2004) who investigated Japanese consumers’ perceptions of wireless ads. Beyond that, there is only little knowledge about how consumers react to advertising via mobile devices. This gap becomes even wider when this issue is addressed on an international basis. By now, no findings on cross-country differences in the context of m-advertising are available. In contrast, online advertising accessed via desktop computers is well researched. For example, Web-based research in cross-cultural context revealed that users’ cultural background strongly influences their perception of visible advertising design elements and colors (Del Galdo & Neilson, 1996; Marcus & Could, 2000). World Wide Web advertisers react to this by creating locally oriented Web sites (Cyr & Trevor-Smith, 2004).

The current trend in e-commerce toward globalization may be observed in m-commerce as well. This makes a cross-cultural investigation on consumers’ perceptions of m-commerce applications a critical research issue. The research project described in this chapter has been carried out in order to analyze to what extent consumers differ in their perceptions of advertising via mobile devices across different cultures. In order to achieve comparable results, the study focuses on push marketing activities in the form of text advertising messages sent to consumers.

MOBILE-ADVERTISING AND ITS TECHNOLOGICAL DIMENSIONS

Together with the development from seller markets to buyer markets in the consumer goods sector, technological innovations were a key driver for a paradigm shift in marketing theory in the 1980s and 1990s (Dwyer, Schurr, & Oh, 1997; Groenroos, 1994; Gummesson, 1987). Although there are critical arguments on this approach as well (Brodie, Coviello, Brookes, & Little, 1997; Fournier, Dobscha, & Mick, 1998), this marketing practice has gained importance. Information technology plays a key role in this development as data warehousing and data mining are necessary sources of information for obtaining knowledge about the customer (Parvatiyar & Sheth, 2000).

In general, advertising is defined as “any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor” (Kotler, 2003, p. 590). Advertising via mobile devices or m-advertising is defined as *the usage of interactive wireless media (such as mobile phones and pagers; cordless telephones; personal digital assistants; two-way radios; baby crib monitors; wireless networking systems; GPS-based locators; and maps) to transmit advertising messages to consumers with the overall goal to promote goods and services*. M-advertising can be carried out on the basis of a number of technologies. Besides Web-based approaches that apply mobile Internet, messaging-based push advertisements can be used. Since the target consumer can be clearly identified by the advertiser, these advertising messages may include time and location sensitive, personalized information that can be transmitted via text messages or via e-mail on the mobile Internet.¹ There are different synonyms for m-advertising, such as wireless advertising (Krishnamurthy, 2003) or wireless advertising messaging (Petty, 2003).

Information systems are also vital in order to address each consumer on an individual basis (Peppers, Rogers, & Dorf, 1999). The opportu-

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