

## **The Impact of Mobile SMS Advertisement Messages on Customer Buying Decisions toward Jordanian Commercial Banks Financial Services: Empirical Study**

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### **Abstract**

*This research aims to investigate the impact of mobile SMS advertisements messages on customer buying decisions toward Jordanian commercial banks services. 1000 customers were selected randomly from different commercial banks located in Amman capital of Jordan. Self-administered questionnaires were designed on the bases of study variables. Likert Scale was used. The most findings of the study It was shows that customers buying decisions were influenced positively by the following variables were as: entertainment, in formativeness and credibility of mobile SMS advertisement. Also a negative impact on purchasing decisions due to the irritation of SMS advertisements messages.*

**Keywords:** E. marketing, Mobilemarketing, & Customer Buying Decisions.

### **Introduction**

Today short message (SMS) is one of the most successful application of mobile marketing which provide telecommunication between business firms and customers (Haghrian, Madlberger and Tanuskova, 2005: 7).SMS were defined as a short text message using internet network to be sent to a certain customer's through a digital cellular network. Business firms today starting using this technological instrument for marketing purposes as a tool of sales promotion. Mobile marketing shows that total of sales were increased to business firms which means that this tool become as a feasible medium to promote business products by mobile at any time (Cravens and Piercy, 2003: 401-402; Du Plessis et al., 2003: 351).This study on the impact of mobile marketing SMS advertisements messages values on customer buying decisions toward Jordanian Commercial Banks services as an advertising and direct marketing.

### **Study Problem**

The purpose of this study is to show the impact of mobile marketing by SMS advertisements messages on customer buying decisions toward Jordanian commercial banks services. The main objective of this study is to know whether there is a correlation relationship between customers buying decisions in respect to the following of mobile SMS advertisements message were as: entertainment, in formativeness, credibility, irritation of SMS advertisements.

### **Literature Reviews & Previous Studies**

#### **Mobile SMS Message:**

Many of marketing experts focused on internet network as well as a mobile marketing which was defined “as a personal message by mobile to provide target customers with certain information for such a product or service for advertising purposes at any time and location (Dickinger et al. (2004:2).

SMS were defining as a brief and short text message service delivered to target customers by mobile marketing in the form of SMS message or MMS multimedia message service (Kavassalis, Spyropoulou, Drossos, Mitrokostas, Gikas and Hatzistamatiou, 2003: 56). SMS advertising has a number of benefits and values for both business firms and customers were this tool allows immediate communication with customers at all time were marketer's wish to communicate with target customer's (Tsang et al., 2004: 68). SMS advertising can help marketer in respect to the probability of advertisement can reaches the target market as customers at all times. Mobile marketing (SMS) advertising messages provide customer's of a number of benefit who use a caller network (Heinonen and Strandvik, 2002:142.). In addition to that mobile marketing (SMS) messages considered as a low cost for target customers as far as the quality and quantity of information needed to influence customer's perceptions and customer buying decisions.

### **Entertainment**

Experts of marketing defines entertainment as "the ability of mobile SMS message that able to influence target customers in terms of message entertainment aspects which considered as a basics on the content of delivered message as well as escapism, diversion, and emotional enjoyment." (Ducoffe, 1996:23). The adopted model of Brackett and Carr (2001: 25) of customer's buying decisions towards mobile marketing SMS message in Figure 1, shows the relationship between entertainment value as a major factor affecting mobile marketing (SMS) message on customers buying decisions.

A number of researches were investigative and found that entertainment values of mobile marketing (SMS) advertisements are positively correlated to customers in respect to escapism, diversion, and emotional enjoyment." (Katz et al., 1973: 166.) Mobile marketing message entertainment should be positively evaluated and accepted by customers. The relationship between customer's perceived entertainment value and benefits of mobile marketing and customer buying decisions towards mobile marketing was tested. Previous studies found that customer's most likely of entertainment value and benefits of SMS message which has a positive impact on customer buying decisions (Bauer et al., 2005:181-192).

### **Formativeness**

Expert of marketing defined in formativeness as "the mobile SMS advertisement message is consisting a certain information to inform prospective customers about products or services to help and to provide enough information to prospective customers to build up his buying decision for reasonable satisfaction" (Ducoffe, 1996: 22). The adopted model of SMS message component and its impact on customer's buying decisions (Figure 1) shows that there is a significant relationship between customer's perceptions toward in formativeness values and customer's buying decisions(Brackett and Carr, 2001:25). A number of previous studies were used this model to illustrate customers buying decisions. In addition to that studies results shows that there is a correlation between customer's perceptions toward in formativeness of SMS advertisements and customer's buying decisions (Tsang et al., 2004: 71; Haghrian et al., 2005: 4; Brackett and Carr, 2001:30-31).

### **Irritation**

Irritation defines as: "The time that SMS advertisements by mobile marketing were used and employed as a tactics that annoy, offend, insult, or are overly manipulative" Ducoffe (1996:23). The component of SMS message and customer buying decisions model were developed by Bracket and Carr (2001: 5). Tsang et al. (2004: 71) previous studies were found that there is a relationship between the irritations and customer's buying decisions towards SMS advertisements messages is negatively correlated.

### **Credibility**

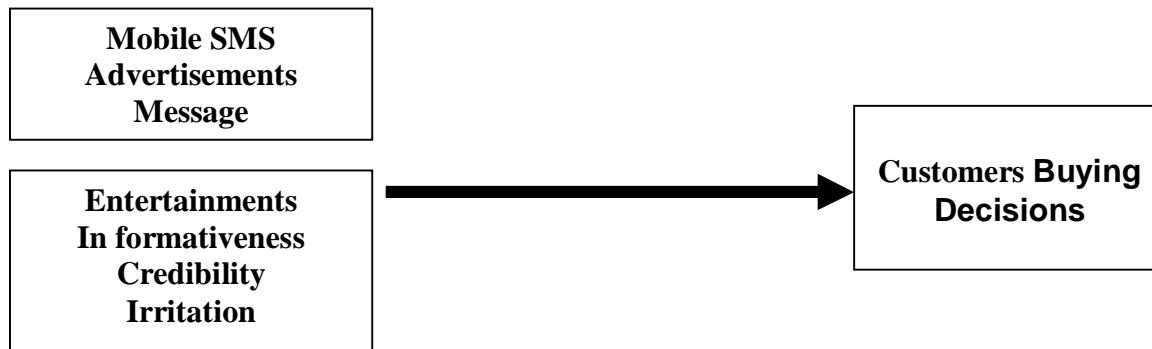
Mackenzie and Lutz (1989:51) defined Advertisement credibility as "customer's perceives claims accurate information about the product specifications, labeling, and brand to be truthful and believable. (Figure 1) shows the relationship between credibility of the SMS advertisement by mobile and consumer purchasing decisions (Bracket and Carr, 2001: 25). Previous studies shows that there is a positive correlation between SMS message credibility and customer buying decisions (Brackett and Carr, 2001:29; Tsang et al., 2004: 71).

### **Customers Buying Decisions**

Mobile SMS advertisements message values affecting customers buying decisions as a medium of communication.

The purpose of this study is to know the impact of SMS advertisement message by mobile on customer's perception and beliefs and buying decisions of the promoted financial services and brands were offered by commercial banks in Jordan. In addition to that the study aim to know the influences of SMS advertisement message on customers for producing a favorable perceptions towards the advertised financial services and giving the opportunity to commercial banks customer's a positive intention to help customers to buy advertised financial services (in Andersson and Nilsson, 2000: 18).

**Figure 1: A Model of SMS Advertisements Message Component Affecting Customers Buying Decisions.**



**Source:** Brackett and Carr (2001:25).

Finally, the impact of mobile SMS advertisement messages on customers buying decisions toward financial services of Jordanian commercial banks were listed on the adopted model in Figure 1 (Brackett and Carr, 2001: 25). Ducoffe (1996: 29). The study model shows a number of variables were listed in Figure 1, Dependent variables as SMS message component which consist of four major variables were as entertainment, in informativeness, irritation credibility, Independent variables as customer buying decisions, and mediated variable as demographic variables such as gender, and educational level.

### Hypotheses

For the purpose of testing the study dependent and independent variables, a number of hypotheses were designed were as:

- H1: To what extent do the customer buying decisions affected by mobile SMS entertainment,
- H2: To what extent do the customer buying decisions affected by mobile SMS in formativeness,
- H3: To what extent do the customer buying decisions on affected by mobile SMS irritation,
- H4: To what extent do the customer buying decisions affected by mobile SMS credibility.

### Study Methodology

The population of this study covered all Jordanian commercial banks were 18 operating banks in Jordan. A convenient sample of 1000 of both male and female customers was selected out of the overall of commercial banks customer's. The researchers believes that customers sample can help based on their experience of receiving SMS advertisements by mobile to understand their buying decisions toward this technological medium of communication (Scharl et al., 2005: 168).

### Measuring instrument

Self-administered questionnaire was used and tested. The questionnaire were covered the dependent and independent variables of the study were as: Mobile SMS Advertisements variables as: entertainment, in formativeness, irritation and credibility, and customer's buying decisions variable, and a demographical variables of the study sample were been adapted were as gender, age, and educational level. The current study used a five-point likert-type to measure and analyzes the respondent's answers on the bases of the questionnaire variables and each item.

**Table 1: The result of Cronbach's alpha of dependent and independent variables:**

Entertainment	0.89
Informativeness	0.87
Irritation	0.83
Credibility	0.81
Customers Buying Decisions	0.84
Overall Mean	0.85

**Reliability:**

Table 1: Shows that the result of Cronbach's Alpha test for all variables is acceptable and higher of the level of internal consistency (.70).

**Study Data Analysis:****1st. Sample Demographical Data:****Table 2: Sample Gender**

Type of Gender	Count	Percentage
Male	550	55%
Female	450	45%
Overall	1000	100%

**Table 3: Sample Age**

Age	Count	Percentage
18 - 30	430	43%
31 - 40	370	37%
41 - 50	135	13.5%
Above 50	65	6.5%
Overall	1000	100%

**Table 4: Sample Educational Level**

Educational Level	Count	Percentage
High School	36	3.6%
Diploma Degree	86	8.6%
Bachelor Degree	633	63.3%
Master Degree	212	21.2%
Doctorate Degree	25	2.5%
Other's	8	0.8%
Overall	1000	100%

**2<sup>nd</sup>: Study Hypothesis Test Analysis:**

(H1) There is no impact of mobile SMS advertisements messages entertainment on customer buying decisions: The correlation test aim to know whether there is a significant correlation between male and female customer's perceptions for entertainment value benefits of SMS advertisements messages on customer's buying decisions or not. Spearman's correlation test were used at level of confidence 95% and the p-value ( $p < 0.001$ ) can be accepted which is less than 0.05%.

**H1: There is no Influence of Mobile SMS Advertisements Message Entertainment on Customer Buying Decisions:****Table 5: Results of Spearman's Correlation test of Entertainment**

F-value	t. value	Sig.t	R	R2
88.4	3.02	0.02	1.96	0.01

P-value ( $p < 0.001$ )

Table 5: The results of the (1) hypothesis shows that the p-value ( $p < 0.001$ ) is less than 0.05 which mean that there is a significant correlation between customer perceptions toward entertainment values of mobile SMS messages and buying decisions toward the financial services were offered by Jordanian commercial banks and demanded by customers. Which mean that the hypothesis is accepted?

**H2: There is no Influence of Mobile SMS Advertisements Message Informativeness on Customer Buying Decisions:**

**Table 6: Results of Spearman's Correlation test of Informativeness**

F-value	t. value	Sig.t	R	R2
<b>88.4</b>	<b>3.01</b>	<b>0.02</b>	<b>1.96</b>	<b>0.01</b>

P-value ( $p < 0.001$ )

Table 6: The results of the (H2) There is no impact of mobile SMS Informativeness on customer buying decisions. The results of Spearman's Correlation test shows that the hypothesis can be accepted were p-value ( $p < 0.001$ ) calculated is significant at the 0.05. Senior marketers of commercial banks in Jordan should realize the impact of SMS accurate information needed which has a great impact on buying decisions toward the financial services were offered by Jordanian commercial banks and demanded by customers.

**Irritation**

**H3: There is no Influence of Mobile SMS Advertisements Message Irritation on Customer Buying Decisions:**

**Table 7: Results of Spearman's Correlation test of Irritation**

F-value	t. value	Sig.t	R	R2
<b>88.4</b>	<b>2.98</b>	<b>0.03</b>	<b>1.96</b>	<b>0.02</b>

P-value ( $p < 0.001$ )

Table 7: The results of the Spearman's Correlation shows that the p-value ( $p < 0.001$ ) is significant at the 0.05 level and the alternative hypothesis can be accepted .Hypothesis 3 test found that a positive correlation between customer's perceptions toward irritation and customer's buying decisions toward the financial services were offered by Jordanian commercial banks and demanded by customers.

**H4: There is no Influence of Mobile SMS Advertisements Message Credibility on Customer Buying Decisions:**

**Table 8: Results of Spearman's Correlation test of Credibility Values**

F-value	t. value	Sig.t	R	R2
<b>88.4</b>	<b>3.00</b>	<b>0.02</b>	<b>1.96</b>	<b>0.01</b>

P-value ( $p < 0.001$ )

Table 8: The results of the Spearman's Correlation shows that the p-value ( $p < 0.001$ ) calculated is significant at the level of 0.05. The hypothesis can therefore be accepted. The results shows that customer's perceptions toward credibility value of mobile SMS message is positively correlated with the customer buying decisions toward the financial services were offered by Jordanian commercial banks and demanded by customers.

**Implications to Research and Practice**

Experts of marketing assured that mobile marketing provide target customer's many values and benefits which aim to pursue a favorable buying decisions toward the offered products and services by business firms. In addition to that mobile SMS advertisement information can help target customer to build up their own buying decisions for buying such product or service by mobile SMS .In addition to that SMS message can provide prospective customers of brief information of such a product or service were offered by building up a positive image to customers to influence their buying decisions. Marketer's should take into consideration customers responses toward irritation of mobile SMS message to ensure that messages are sent to customer on the right time. Credibility of mobile SMS advertisements shows a positive effect on customer's buying decisions of mobile SMS advertisements messages which contain specific information of such products or services.

Many of marketing experts indicate that mobile SMS advertisement messages should ensure that these messages sent to target customers who have explicitly of their willingness of receiving these messages which contain enough information of business firms products or services to prevent customers of being intrusive or irritating, (Spero and Stone, 2004:68). To ensure the success of SMS advertising campaign, the marketers of business firm's should have customer's permission in advance to avoid any embarrassments to customer's (Andersson and Nilsson, 2000: 47; Kavassalis et al., 2003: 64).

### **Conclusion**

Experts of banking in particular marketing department management require understanding banks customer's buying decisions by mobile SMS advertising messages whereby the content of the mobile SMS advertisement to meet customer's expectations by relevant information. Furthermore to ensure that they send enough and accurate information to targeted customer's. Customer's value of SMS advertisements should be briefly and short, direct information that is related based on customer's needs and expectations.

### **Recommendations**

The researchers have set-up a number of recommendation were as:

1. Commercial Banks Management should adopt a new criteria's to measurement purposes of customer's perceptions and buying decisions toward the financial services were offered and advertised by mobile SMS advertisements messages.
2. Commercial Banks Management should follow up their customers to understand as well the major obstacle's which influence customers buying decisions toward mobile SMS advertisements.
3. Commercial Banks Management should build up a number of strategies on the bases of customer's characteristics and life styles to match their interests toward mobile SMS Advertisement's.
4. Commercial Banks Management should attract customers segment's on the light of demographic aspects in terms of age and gender of target customers segments.

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