



Arab Academy for Science, Technology and Maritime Transport

Graduate School of Business

Master of Business Administration

A Dissertation submitted in partial fulfillment of the Master of

Business Administration Degree

*"Measuring the factors that affect young consumers' attitudes towards SMS advertisements and their purchase intentions: The case of Egypt".*

Submitted by:

Hazem Rasheed Abd El Wakeel Gaber.

Supervised by:

Prof. Dr. Mohamed Farid El Sahn.

Dr. Eman Mohamed Abd El Salam.

2012

P.U.A. Library
Library D
Faculty of: BUS
Serial No: 239
Classification: 658

## Abstract

Today, the mobile phone usage is increasing all over the world including Egypt. The mobile phone penetration in Egypt reached 95 per cent by April 2011. This high penetration of the mobile phone has created an excellent opportunity for marketers who want to target Egyptians especially young consumers with their products and services. Also, the marketers are beginning to recognize the advantages of advertising through this new media such as personalization and decreasing marketing costs.

Advertising through a mobile device can take many forms. However, the SMS advertising is considered the simplest and the most widely used form of mobile marketing and, it is studied in this research. A research in SMS advertising would be interesting and useful, it can help the researchers and practitioners understand the role and contribution of this information technology application in doing business in general and marketing in particular.

This research investigated the attitudes of young Egyptian consumers towards SMS advertising, as young consumers are considered the most segments that use the mobile phone and its applications and are more likely to be targeted by this new form of advertising. It investigated and measured the importance of the factors that affect the consumers' attitudes towards SMS advertisements which consequently makes the SMS advertisements effective. Also, it studied the relationship between the attitudes of consumers towards the brands that are advertised through SMS and their purchase intentions for these brands.

The background of the study focuses on the concept of mobile advertising in general and SMS advertising in particular. The academic models of the consumers' attitudes towards advertising in general and mobile advertising in particular are integrated and improved. From the literature review, the antecedents of the attitudes towards SMS advertising are derived. Then a research model is proposed based on the review.

The field study was done using a survey that was distributed on a sample that is similar to target consumers of the campaigns of mobile marketing and SMS advertising. The sample is young consumers who are aged between 15-30 years and are residents of Cairo and Alexandria. The results of the questionnaire were analyzed using the statistical analysis software for windows SPSS.

The results of the research show that Egyptian young consumers generally have favorable attitudes towards SMS advertisements. Also, it proves that the lack of irritation of the SMS advertisements, incentives that are found in SMS advertisements, utilization of contextual information, attitudes towards advertisements in general, informativeness of SMS advertisements and personalization of SMS advertisements are important factors that affect the attitudes of young consumers towards SMS advertisements. Therefore, these variables have to be taken into consideration by the companies and marketers so as to make the mobile advertising more effective and more efficient. In addition to that, the results show that there is a positive relationship between the attitudes the consumers form on SMS advertisements and the attitudes towards the brands that are advertised through SMS and towards their purchase intention for these products and services.

The research findings have several managerial implications. First of all, companies have to direct more of their marketing budgets to SMS advertising. Also, marketers can make SMS advertisements more effective by including incentives such as: Mobile coupons, discounts, certain offers ...etc. In addition to that, they should make the SMS advertisements more personalized. Finally, location based SMS advertising can be very successful if it is introduced in Egypt.