

THE USE OF SMS AS MARKETING TECHNIQUE IN INTEGRATED MARKETING COMMUNICATION

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ABSTRACT

The 20th century had been characterised by technological developments that had revolutionised communication on a global stand. The development from the stone-age type of communication to present advancements has led to a significant change in how person-to-person and long distance communication take place.

Mobile telephone technology has brought better and affordable modes of communication that have kept the world communicating. The short message system (SMS) provides an extremely cheap way of interactive communication and its popularity has reached explosive heights with consumers – witness the demand at networks such as Vodacom, Mobile Telephone Network (MTN) and lately Cell C in South Africa.

Big companies are beginning to realise that much dividends are to be reaped from using SMS as a form of communication with their customers, especially within the integrated marketing communication context.

This article explores the experiences of learners (residing in the University of Free State hostels) with the SMS as marketing communication technique. It also sets out to examine their reaction to SMS communication. The perception of UFS learners about SMS marketing and how it can be tailored to give the maximum impact used in an Integrated Marketing Communications (IMC) program are also investigated. A brief overview is given of the problems and challenges that this new form of marketing communication can create. Most importantly, the article sets out to consider the importance of SMS marketing as an element of IMC.

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INTRODUCTION

Marketing communication is evolving in the new economy and adjusting to technological speed. Mobile telephone technology and the short message system (SMS) offer the dynamics of interactivity. Information is power in the new paradigm and it is changing how marketers respond. Technology has changed the world of marketing forever.

The fairy tale of SMS popularity does not end with personal messages. It has extended to the marketing world. However, marketers still do not use SMS communication to its fullest potential. This is an area with major potential to offer attainable solutions to marketing problems and customer relations programs. Integrating this new form of communication effectively into the greater marketing mix and understanding its holistic impact as a marketing communication tool are a few of the challenges that face marketers today.

THE SHORT MESSAGE SERVICE (SMS) PHENOMENON

The SMS is a method of communication that is characterised by a single short message that can be up to 160 characters of text in length. Those 160 characters can consist of words or numbers or an alphanumeric combination. Non-text based short messages (for example, in binary format) are also supported. This is a store and forward service, in other words short messages are not sent directly from sender to recipient, but always via an SMS centre instead. Each mobile telephone network that supports SMS has one or more messaging centres to handle and manage the short messages (Yahoo! Inc).

The SMS features confirmation of message delivery. Short messages can be sent and received simultaneously with Global System for Mobile Communications Association (GSM) voice, data, and fax calls. This is possible because whereas voice, data and fax calls take over a dedicated radio channel for the duration of the call, short messages travel over and above the radio channel using the signaling path. As such, users of SMS rarely if ever get a busy or engaged signal as they can do during peak network usage times.

Ways of sending multiple short messages are available. SMS concatenation (stringing several short messages together) and SMS compression (getting more than 160 characters of information within

a single short message) have been defined and incorporated in the GSM SMS standards.

To use the short message services, users need the relevant subscriptions and hardware, specifically subscription to a mobile telephone network that supports SMS communication. The use of SMS must be enabled for that user (automatic access to the SMS is given by some mobile network operators, others charge a monthly subscription and require a specific opt-in to use the service). The person should have a mobile phone that supports SMS and knowledge of how to send or read a short message using their specific model of mobile phone. Lastly, a destination to send a short message to, or receive a message from, is needed. This is usually another mobile phone but may be a fax machine, PC or an Internet address (Yahoo! Inc).

Initially usage of SMS was driven by the youth market that embraced the concept of texting as a means of chat and information disposal. In short, this is a critical way of "being in the know". Of late its use has extended even to the older demographic groups.

With more than 800 million mobile users worldwide, more than twice as many people have a mobile phone than read newspapers. In January 2002 the South African market size was estimated at 11.2 million users. 80 % of these were active users. The projected number of users by 2006 is 21 million. Vodacom and MTN dominate the South African market with a new entrant in Cell C. In January 2002 Vodacom owned 57.4 % of the market share and that translated to 6.4 million users. MTN had a 41.3% market share, which translated to 4.6 million users (AC 1996-2002). Cell C, the new entrant to the industry, recently obtained its 1 millionth user (Volksblad 2002-11-13). Generally, more than 9 000 users sign up every day for mostly the prepaid services of the three networks.

SMS was initially developed for the purpose of machine-to-machine communication among network operators. Today GSM estimates about 200 billion SMS messages for each year. With direct mail, print, television and radio already loaded to capacity, SMS communication has become a powerful medium. It provides some important marketing characteristics, especially in the IMC context. It is direct, personalised, targeted, interactive, 24 hours a day and 7 days a week. It is a powerful marketing tool that effectively targets audiences who are difficult to reach through traditional media channels (Campus Marketing Brochure 2001:2).

DIRECT MARKETING AS TECHNIQUE IN IMC

What is direct marketing?

Direct marketing is a well-established form of marketing communication that has a long and, most recently, illustrious history. Interactive media, like the Internet and SMS communication that host direct marketing, are the new kids on the block offering a new, different and better way for marketers to cultivate markets.

According to Brown and Buskirk (1992:64) the most important management fundamental that is being ignored today is staying close to the consumer to satisfy his needs and anticipate his wants. In too many companies, the customer has become a nuisance whose unpredictable behaviour damages carefully made strategic plans, whose activities mess up computer operations and who stubbornly insists that purchased products should work. This view has its remedy in direct marketing. De Mooij and Keegan (1991:273-274) state that direct marketing is a marketing system whereby the marketer establishes a direct, personalised and measurable relationship with the individual consumer through interactive communication.

Reasons for the growing importance of direct marketing in IMC

IMC is described as the coordination of previously independent marketing communication tools under an "umbrella strategy" in an attempt to increase communication effectiveness and consistency (Store & Mulder 2001:16). In their book *The New Marketing Paradigm*, Schultz, Tannenbaum and Lauterborn (1993:xvii) suggest that IMC is a new way of looking at the whole, where once we only saw parts such as advertising, public relations, sales promotions, purchasing, employee communication, and so forth. It's realigning communication to look at it the way the customer sees it – as a flow of information from indistinguishable sources.

Engel *et al.* (2000) consider the most important aspects of IMC to be the building of brand equity, individualised marketing, and effective relationships with resellers; having the proper balance in the promotion mix; thinking globally but acting locally; and giving a renewed emphasis on accountability and a commitment to the customer.

Against this background the growing importance of direct marketing makes sense. Smith and Taylor (2002:309) suggest that David Ogilvy forecasted many years ago that in time all advertising agencies would

be direct marketing agencies. That statement is not far from the truth because the use of direct marketing has increased dramatically. Semenik (2002: 348) suggests a number of reasons for the present growth in use of direct marketing. Some of these have to do with changes in the consumers' lifestyles and technological advancements. Overall, the growth in the use of direct marketing has been due to the following factors:

- the consumer's desire for convenience,
- credit and payment facilities,
- changes in technology with the advent of toll-free numbers and cellular phones have created a climate conducive for the success of direct marketing, and
- measurability of direct marketing means that there is little or nothing that can be lost due to communication messages being received by the wrong audience.

Characteristics of direct marketing

The basic characteristics of direct marketing are that it asks for an immediate behavioural response. This means that the primary job of direct marketing is to stimulate the target receiver to take some kind of action now – e.g. place an order, use a service, make an enquiry or visit a shop. Direct marketing is also characterised by the fact that it can be highly targeted. In fact, it can be directed at a single individual or a very narrowly defined group of individuals. Since the primary goal is to have an immediate response, the effort has to be highly targeted. The marketer is searching for an individual or a small group of the target market that will respond favourably to the marketing message (Percy 1997:120).

According to Percy (1997:121) every aspect of direct marketing must be tied to a database so that statistical analysis can be used to project the effectiveness of any program. Direct marketing usually results in the creation of a database of respondents. Smith and Taylor (2002: 366) suggest that a database is not just a list of names. It is distinguished by the amount of relevant marketing data held on each customer or prospect. It should contain historic and predictive data. Historic data include name, address, regency, frequency of purchases, etc. Predictive data include information on what groups or subgroups are most likely to respond to what message. The database is

continually maintained and refined to define, locate and communicate with and sell to prime prospects and customers. The database ensures a unique and relevant ongoing dialogue between the marketer and the consumer (Brown and Buskirk 1992: 85). The database, therefore, records the names of customers and prospects and it further provides a vehicle for stoning and measuring purchase performance. These databases have put a wealth of consumer-driven data at the fingertips of marketers.

Percy (1997:121) further suggests that direct marketing offers the manager not only the opportunity to predict and measure the responses, but also the ability to determine the actual costs associated with particular responses. Because of the database, one can always purge and update the files to maximise the cost effectiveness of the direct marketing program. Because of advances in database management, many targeted customers can be reached through direct marketing in a less expensive manner than television advertising for example. Its response measurement ability has made it a growing area in IMC.

Basic media for direct marketing

There are various media through which direct marketing can be delivered. Percy (1997:125) mentions four of these, namely direct mail, telemarketing, mass (broadcast and print) media and new and interactive media. Percy (1997) further states that as a rule, only one form of media can be used in direct marketing when it is part of an IMC program, and this is dictated by the nature and the cost of direct marketing.

• Direct mail

Bradmore (2001) views direct mail as advertising directed to end-users by sending catalogues or other sales literature through the post. Direct mail owes its popularity partly to its many advantages. Percy (1997:126) suggests that the advantages are that there is greater selectivity through direct mail, which allows for more precise targeting. Virtually unlimited choice of format is available with direct mail. It offers a greater ability to personalise the message and if someone opens and reads a piece of direct marketing, there is no direct competition for their attention. Because you control the mailing dates, whom you mail to, and what you say, direct mail offers more control. It also offers a unique capacity to involve the recipients.

Kobs (1992:132) adds that direct mail is one of only two media (the other being telemarketing) that allows you to target your previous

buyers with no waste circulation. Other than telemarketing, it provides the highest percentage of response. However, it is very expensive with only telemarketing having a higher cost-per-thousand and there is an increase in competition through the mailbox with other competitors using it, and that diminishes its possible impact.

• **Telemarketing**

Telemarketing is another direct marketing media option. Percy (1997:127) believes that the telephone today accounts for the largest amount of direct marketing activity, but not all of that marketing could be called telemarketing. They agree that telemarketing comprises the integrated and systematic application of telecommunications and information processing technologies with management systems to optimise the marketing communications mix used by a company to reach its consumers. In essence it does enable immediate response, is highly targeted and uses database technology.

The advantages for telemarketing as suggested by Kobs (1992:165) are that it is personal and interactive; it is a very flexible medium; while you have your prospects on the phone it is easier to increase the size of their orders; and it allows immediate feedback. Disadvantages for telemarketing are *inter alia* that it is very costly and, in fact, is the most expensive direct marketing medium; it lacks a permanent response device; you cannot sign an order card over the phone; it is not a visual medium and it is, by far, the most intrusive medium (Kobs 1992:166).

• **Broadcast media**

The broadcast media have become very popular in the direct marketing arena. Kobs (1992:156) believes that television has become a direct response medium. Percy (1997:127) further suggests that this type of direct marketing has grown by leaps and bounds from being confined to the wee hours of the morning to finding its way into the prime time slots. He contends that the reason for this is the better targeting potential and the recent ability to run longer commercials during these times (Kobs 1992:159).

Advantages of using this medium is that television is dramatic and that there is a wide range of stations and programming available for spot buys. Disadvantages of this medium is the fact that the amount of copy time is severely limited and each commercial has a monetary life, and no permanent response device can be saved for later ordering.

Radio provides a direct marketing medium, which is not often considered for use by marketers. Percy (1997:128) suggests that the reason for this is the fact that radio fails to affect an immediate response to a message. He further adds that radio is generally a passive medium listened to while driving or engaged in another activity, which makes it difficult to switch attention and find pen and paper to write down a telephone number or address in order to respond to the message.

However, Percy (1997:128) provides some advantages for the use of radio namely:

- the ability to target specific audiences,
- it is relatively economical,
- it provides almost instant access for a message, and
- radio commercials can be quickly produced and aired.

*** Print media**

The print media provides another thriving area for direct marketing. The primary use of newspaper in direct marketing is for the distribution of various pre-printed inserts. The advantage of using newspaper is that almost any length printed message can be inserted and it does not need to be printed on newsprint stock. Another advantage is timeliness. The problems are the lack of circulation targeted by the newspapers and the ever-shrinking market. Newspapers should be considered when a broad-based target audience is appropriate (Percy 1997:128). Magazines offer the opportunity for rather focused targeting.

*** The new and interactive media**

Percy (1997:129) states that technological advances almost guarantee that there will be growth in the use of interactive media in marketing programs. He argues that the primary source for access to interactive media is television. While television may not be technically "interactive" it has conditioned a lot of households to television shopping.

Percy (1997:129) believes that the real star of the new and interactive media is the Internet. The number of Internet users surpassed 530 million in 2001 and will continue to grow strongly in the next five years. Most of the growth is coming from Asia, Latin America and parts of Europe. By year-end 2005 the number of worldwide Internet

users will double to 1.12 billion (ETForecasts 2002). There are many companies that use the Internet to market their products. This is a growing area for marketing. However, Percy (1997:129) believes that getting people to browse through the Internet is not a problem. The problem is getting them to buy the advertised products. He further suggests that the users of Internet do form a highly targeted marketing market, but only includes innovators or computer-orientated people.

SMS marketing communication is a new medium and can without a doubt be categorised as a form of interactive media.

Advantages and disadvantages of direct marketing

Belch and Belch (1993:568) provide a number of advantages and disadvantages of direct marketing. The advantages are as follows:

- it provides selective reach,
- its segmentation capabilities are very high,
- rate of recurrence levels can be built depending on the medium used,
- it can take on a variety of creative forms,
- direct marketing programs can be put together and executed very quickly,
- it has the ability to personalise the message, and
- it is very cost effective.

Belch and Belch (1993:570) say a major disadvantage in direct marketing is junk mail. Junk mail creates an image crisis for the marketer or the company. In terms of electronic direct marketing, there is an increase in the sending of spam. Spam is unsolicited electronic communications. It is undertaken by mailing to an e-list, or by posting to an electronic forum such as a newsgroup, or web- or IRC-based e-chat session. The motivations for sending spam include appeals for financial contributions to a cause, the communication of a religious or ideological idea, the discrediting of a third party by making it appear that such party had sent a message, the passing on of the electronic equivalent of a chain-letter, and the sheer dare of it. Spam is an inappropriate direct marketing mechanism. It is costly for recipients in terms of the time taken, the volume transferred and the volume stored in their account on-line; and of the clutter it creates in their mailboxes (Clarke 1998).

The problem of spam is experienced in both Internet and SMS communication. Still many countries, including South Africa, do not have proper legislation to deal with this issue. People continue to get annoyed through unassociated marketing messages. Spam violates the recipients' right to privacy. According to the South African green paper on e-commerce, privacy can be generally defined as the right to be left alone, free from intrusion or interruption (Anon 2000). Privacy, or lack thereof, is a major concern for individuals in the use of the electronic medium in commerce. Permission marketing is one approach that marketers can use to address the issue of violation of privacy (Godin 1999).

The electronic market place offers consumers unprecedented choice and twenty-four hours accessibility and convenience. It gives established marketers and new entrepreneurs low-cost access to a virtually unlimited customer base. But with these benefits also comes the challenge of ensuring that the virtual marketplace is a safe and secure one to purchase goods, services and access electronic information.

SMS AS AN IMC TECHNIQUE AND A DIRECT MARKETING ELEMENT

SMS without doubt possesses the right characteristics that an IMC technique needs to have, namely the ability to:

- directly influence the behaviour of the target market,
- communicate distinct messages to distinct audiences,
- be used as a two-way communication tool, that is the marketer can engage in an interactive relationship with the customer,
- provide immediate feedback,
- be a very cost-effective mechanism of communication, and
- provide marketing precision.

SMS marketing is also a type of direct marketing. It has the same characteristics noted above (the ability to directly influence the behaviour of the target market etc.).

Direct marketing is not appropriate for every kind of product or service. Percy (1997:123) suggests that, in fact, it is almost never a

good way of marketing most consumer-packaged goods -- the kind of products that you find in drug stores and supermarkets. It may be used with low involvement goods, but its primary effectiveness is with the high involvement goods. Direct marketing creates a dynamic and ongoing dialogue with the consumer, hence the interactivity of the process and the major role it can play in IMC.

PROBLEM IDENTIFICATION AND MOTIVATION FOR THE STUDY

The use of SMS communication has grown considerably ever since the advent of cellular phones. Consumers use SMS to communicate with each other for various reasons, ranging from love messages to business messages. New technologies like the Enhanced Message System (EMS) and Multi-Media Service bear testimony to the ability of this system to suit the consumer's needs. EMS is a mix of text melodies, graphics and animation in gray scale or colour. MMS is a service that enables various features like video clips. This has opened many possibilities for SMS marketing. A question that must be asked is whether SMS communication as a marketing technique has or can have a positive impact on consumers, and more specifically learners?

To address this question the following objectives were identified:

- to determine whether SMS communication used as a marketing communication technique gains the attention of learners,
- to determine whether SMS communication creates interest and desire of the marketed product or service among learners,
- to determine whether SMS communication leads to action by learners, and
- to uncover the problems and challenges of SMS communication used as a marketing technique.

SMS marketing has always been seen or used from the point of view of the marketer, rather than from a consumer's point of view. This study recognises the importance of capturing a consumer's experience of SMS marketing as an interactive tool. Hence the researchers investigated the learners' (residing in the University of Free State hostels) experiences of SMS as marketing communication technique. They also set out to examine the learners' reaction to SMS

communication. The perception of UFS learners about SMS marketing and how it can be tailored to give the maximum impact used in an Integrated Marketing Communications (IMC) program was also explored. All and all, the study will help to explain the attitudes, opinions, feelings and behaviours of learners with regard to SMS marketing. It will facilitate an understanding amongst marketers on how to use SMS communication to market their products or services more effectively to learners, who are future workers and members of the consumer market.

RESEARCH DESIGN AND METHODOLOGY

A qualitative research approach was used to explore SMS communication as a marketing communication technique. Qualitative research was used for the depth of the required information and the insight it gives into the underlying issues.

The objectives (as stated above) were formulated to deal with the research question and in accordance with the AIDA-formula, which is a theory that suggest that purchase intention and purchase itself is the reaction of a sequence of mental steps (e.g. awareness, interest, desire and action). The task of the marketing communication is to propel the consumer through these stages (Sinclair 1997:28).

Population and sample selection

The population that was covered by the research consisted of learners who reside in the UFS residences and own cellular phones. The sample drawn from the population consisted of learners randomly selected from the population. Four residences were identified as representative of the population. These residences were:

- Villa Bravado residence, which is a male and predominantly black hostel;
- N.J. van der Merwe residence, which is a female and predominantly black hostel;
- President Reitz residence, which is a male and predominantly white hostel; and
- Wag-‘n-Bietjie residence, which is a female and predominantly white hostel.

A focus group interview was conducted in each of the above-mentioned residences. An average of eight people were included in each focus group.

Research strategy

The strategy that was used was that of grounded theory. Strauss and Corbin (1990:24) describe the grounded theory method as a qualitative research method that uses a systematic set of procedures to develop an inductively grounded theory about a phenomenon. Theory is generated through comparative analysis (Glaser & Strauss 1967:21). It requires the investigators to interpret meanings, experiences, events and the reality of the phenomenon being studied.

Method of data collection and analysis

As mentioned earlier, focus group interviews were employed as data collection technique. After each process of data collection, key issues were noted. Constant comparison of one interview session's data was drawn with that of the others. Through this process, theory emerged and subsequently data were compared to the theory. The result of this comparison was coding.

Coding represents the means by which data are broken down, conceptualised, and put back together in new ways. It is the central process through which theories are built from data. Coding includes open coding which is the labeling of concepts that represent discrete happenings and other instances of the phenomena. It also includes axial coding, which is the procedure by which data are put back together in new ways after open coding, by making connections between categories. It further includes selective coding, which is the process of selecting the core category, systematically relating it to other categories, validating those relationships, and filling in categories that need further refinement and development (Strauss & Corbin 1990).

Data analysis was not conducted in isolation from the data collection process. These were simultaneous processes during the research. It entailed reading and re-reading the data to gain familiarity with the emerging issues. Transcriptions from the focus groups discussions were used in the analysis.

RESEARCH FINDINGS

Familiarity with and definition of SMS communication

The question that was put to the respondents was whether they were aware of SMS as a phenomenon and, if so, what it meant to them. The definition that they gave, helped the researchers to form an idea of what SMS means to the various prospects.

The responses to this question were very similar. Focus group 1 defined SMS as a brief and cheap way of sending messages to people rather than talking to them. *Brief* means that SMS are short and straight to the point. The briefness of the message could be ascribed to the sharing of meaning within 160 characters. *Cheap* means that the cost for sending SMS is relatively low or comparatively inexpensive. Compared to talking over a phone, SMS communication is much cheaper. In the South African context (Rand) a SMS ranges between free and 85 cents per SMS. Focus group 4 added that SMS is affordable. Taking into consideration that the respondents were learners, it is understandable that they would view this service as affordable compared to other forms of communication.

Focus group 2 agreed and stated that SMS was “a convenient and better way to communicate because it is brief and easy to manouvre”. *Convenience* referred to the fact that it was suited for the comforts and needs of these consumers. It seems that they have to communicate cheaply, round the clock, and SMS does exactly that. *Better* means that it possesses attributes that are superior to that of other communication tools.

Focus group 3 suggested that SMS was a “quicker way to communicate”. *Quicker* refers to the speed with which it is delivered. An added advantage of SMS communication is the confirmation of delivery.

Learners perceive SMS communication as a concise, witty and clever way of communicating. The main characteristics of SMS that came across in this discussion were the fact that it was seen as being cheap, quick, and a convenient form of communication. This highlights the major role that SMS can play in an IMC program.

Uses of SMS communication

The aim of the question on the uses of SMS was to find out what the respondents use SMS for in their daily lives. The responses helped the researchers to determine the usefulness, popularity and rate at which the users utilise SMS communication.

Members of focus group 1 said that they used SMS to “remind people of some things”. This is done when there is little need to speak verbally to the intended recipient and when a reminder of a pre-concluded appointment is in order. They also expressed that they used it to “request a call from the recipient”. The please-call-me (free)

SMS which is widely used by Vodacom users is intended to request the other person to call back and it has become popular among the youth. Another use of SMS that was identified was "to apologise when in trouble". This makes sense because anyone would rather write a message of apology than to express it verbally when on the wrong end of the stick. SMS is also used "to communicate with many people at the same time". This could bear relation to economic considerations.

Members of focus group 2 supported the opinions viewed by focus group 1 and said that they used SMS when they "did not have money". A respondent from focus group 3 called it "cheap messages". Members from focus group 2 added that "it was more interesting to write something than to say it".

The primary use of SMS communication can be related to economic considerations. The fact that they describe SMS as more interesting than verbal communication, could be imputed to the complementary use of non-verbal communication in the form of picture messages. The popularity of the "please-call-me" function could also be related to economic considerations, but it also indicated the sender's need to interact or communicate with the person to whom the message was being sent. The need for dialogue was emphasised here.

It seems as if SMS communication is used first and foremost because it is affordable, but its ability to combine verbal and non-verbal codes of communication is an added bonus. SMS communication is also used to trigger dialogue, another very important tactic or element in any IMC strategy.

Kinds of SMS communication received

In order to understand the nature and scope of messages that the respondents received, they were asked what kind of SMS communication they had been exposed to and how often they had received these messages.

The various focus groups' responses complemented one another. They identified a variety of types of SMS communication that they had received. It appears that they receive SMS communication predominantly from friends, from the "Internet e.g. horoscopes, and sports". They also receive advertising or marketing messages, and reminders that they have mail.

Confirming appointments is another use that is popular with the

respondents. Love messages are a daily occurrence on learners' cellular phones. That is from boyfriends or girlfriends. They also receive jokes from the services that they subscribe to.

Picture messages have taken centre stage. There are websites that have downloadable picture messages that can be used for SMS communication.

Types of companies that send marketing SMS communication

The respondents' opinions about the companies that send SMS messages were tested.

Various companies were highlighted as primary senders of marketing SMS messages to the learners. Vodacom and night-clubs were mentioned. Clothing companies featured very prominently, probably because learners were a prime market for fashion. Computer-selling companies and movie outlets like Ster-Kinekor have also seized the opportunity to communicate with learners through SMS communication.

From the responses it was clear that the learners considered these companies to be very "cool", "with-it" and modern, and said those were the kind of companies they would do business with.

EXPERIENCES WITH MARKETING SMS COMMUNICATION

Questions regarding the experiences that the respondents had with marketing SMS communication were asked in order to get an understanding of the respondents opinions on:

- the use of marketing SMS communication,
- their first experience with it,
- the frequency of receiving such messages,
- the image that these messages create for such companies,
- complementary media,
- unsolicited SMS, and
- the problems that they encounter with marketing SMS communication.

Opinion on the use of SMS communication to market products/services

There were varying opinions about the use of SMS communication to

market products/services from members of the various focus groups. Some asserted that this was “an excellent way to market products”. They also pointed out that besides having an “impact”, it was also “quicker”. It had an impact because it caught the attention of the recipient. They also found it to be “informative”. Some added that SMS messages take little of both one’s time and space. It is a short message with about 160 characters and, therefore, cannot be a burden to the recipient. They also stated that when a message was sent, the recipient’s phone was guaranteed to receive it (provided nothing went wrong with the network). SMS communication also kept them updated.

However, there was a strong assertion that SMS communication could sometimes be “sent randomly, even to people who did not have an interest in such messages” and one could “receive a lot of useless SMSs”. They criticised companies on this issue.

Most respondents were very opinionated on the use of more than one marketing SMS depicting the same message. They viewed this as being effective the “first time it is sent only”. They further felt that it was “annoying to get such messages”. However, one respondent felt that this was good marketing practice.

First experiences with marketing SMS communication

Their experiences of receiving marketing SMS communication for the first time varied. Some felt that it was “exciting” and gave them a sense that someone was keeping “an eye” on them. They said they felt as though they were “getting an inside scoop that other people were not getting”. Some added that they felt as though they were “part of the company” and that they were being given “personal attention”. Some members, however, felt that this was not special to them as the senders were people that did not even know the recipient personally.

Frequency of receiving marketing SMS communication

Again a wide-range of responses predominated. Some respondents were receiving marketing SMS communication once every month; once every year or three times a week. Some also mentioned that they had only received it once in their lifetimes. In general it was clear that marketing SMS communication was not a conventional form of communication hitherto.

Image of companies sending marketing SMS communication

In general respondents expressed a “positive image” about companies that were sending marketing SMS communication. They viewed such

companies as “interesting”.

Media used to complement SMS communication

Some said that posters and television were used as complementary media, but by and large radio seemed to be the medium mostly used to supplement SMS communication. This could be ascribed to the fact that radio was a very popular medium among learners, and it therefore made sense to use it in combination with SMS communication.

Consent to marketing SMS communication

There were divergent views expressed on this matter. Some respondents said they received “surprise” messages and had not consented to receiving such SMS communication, while others conceded that they gave permission to receive such SMS communication. On the other hand some said they had been “tricked” by companies that they had subscribed to over the Internet, and they were “unaware” of the fact that their personal details were used without their approval. Apparently they often received messages from the network providers who have their details, but did not ask for their consent.

The respondents added that these companies must have been getting their mobile telephone numbers from the information which they gave to stores when opening new accounts. They were adamant in most instances that they had not given consent. Some said companies could also have gained the contact details from information given when taking part in competitions or when registering on the Internet.

Other problems encountered with marketing SMS communication

While some respondents viewed marketing SMS communication as something they “always wanted”, some felt that “it depended on whether the message came from a company whose products they were interested in” because if they were “not interested in the product or service, then it would be a problem”. Others asserted that if these messages were sent, the recipient should be in a position to choose which ones they wanted and which one’s they didn’t. The receiver “should choose what to receive”. Some learners felt that it depended on “what the message was and how often it was sent”.

It was very clear that learners have a problem with the “same message being sent more than once”. They also added that the beeps from the phones “could be annoying if you have subscribed to many”. Some

respondents agreed with the above and added that the sharing of contact numbers by the various companies made them vulnerable to getting messages from places that they had never thought of. They also had a problem with the consequential fact that their inboxes were often full which inconvenienced them.

OUTCOMES OF SMS COMMUNICATION

These questions were asked in order to understand what the marketing impact of SMS was to the consumer from a consumers' point of view. The questions were asked in order to find out whether awareness was cultivated, interest and desire evoked, and action taken as a result of the marketing SMS communication. These questions were based on the AIDA-model in marketing communication.

Awareness

Members of all the focus groups agreed that their awareness levels about the product were improved as soon as they received SMS messages. They felt that this awareness was promoted by the fact that they discovered new things. They asserted that they became aware, but sometimes they "soon forgot it". However, their awareness does not necessarily mean that they will support the product or service being marketed.

Some respondents felt that even if they did not see the product, they (after receiving a marketing SMS message) created their own image of the product. The message was sent in text format and the respondents felt that this was enough to elicit recall or recognition when they saw the product. All respondents had strong views on this. They asserted that, "if you walked past a poster, you glanced at it but when you received an SMS you physically sat and read it and you paid more attention to it". Therefore if a company sent SMS communication to its customers or prospects, it stood a better chance to be remembered or recognised by the recipient.

Interest

Some learners asserted that a recipient's interest in the message depended on whether the subject was interested in the product or not. Some learners expressed that sometimes it did cultivate their interest in the product. Generally speaking it seems that if the SMS message is humorous or creative, it draws a lot more attention to it.

Action

Some respondents emphasised that if a product interested them, then

it would encourage him or her to buy the product or service. They said that it made them want to know the cost of the product with the aim of possibly buying it. They felt that the SMS message made them think about the product or service that was being marketed. The learners added that if SMS messages were sent to the right target market, it might prompt the receiver to buy the product or service or to tell a friend/s about it.

It seems that the use of incentives in SMS communication are a very big encouragement to potential customers. The types of incentives that learners identified varied from free gifts when an SMS was taken to the marketer, discounts, and entries in lucky draws, etc.

Improving SMS communication

Questions on the improvement of SMS communication evoked interesting responses. Some learners suggested that the sending companies should add more detail to SMS message. They added that customers should be rewarded for loyalty, especially if they had been sending them messages for a long time. They should also increase the use of picture messages. As they say, a picture says a thousand words. The learners felt that companies should send the SMS communication more regularly, but not everyday – only when they have special offerings. They added that they should not send the same messages repeatedly because that could be an irritation and could lead the recipient to deleting it without reading it. They felt that SMS messages should be sent to the right market. Creativity and humor should definitely be imparted.

CONCLUSIONS AND RECOMMENDATIONS

The cellular phone industry is experiencing a boom period throughout the world, particularly in South Africa. The industry develops at a great speed and has become an area of interest for marketers. It has a special appeal to the world citizen in that it creates an interactive, personalised and faster mode of communication that is readily available to most people.

Its offspring, SMS, has become a hit with its users (mostly the youth) and can definitely grow as a marketing technique in South Africa. With an accountable database, immediate response, ability to communicate distinct messages to distinct audiences, ability to be used as a two-way communication tool, ability to provide immediate feedback, marketing precision and cost-effectiveness, this is an

extremely viable direct marketing and IMC tool.

Conclusions

The following conclusions regarding SMS communication used as a marketing technique to gain the attention of learners were drawn:

- SMS messages pass awareness to the learner consumer. However, the awareness level varies from person-to-person depending on one's preferences and interests. Awareness levels are raised when learners get to discover new information.
- There is no guarantee that the receiver will not immediately forget what he or she has seen.
- Awareness does not necessarily mean that learners will support that product or service being marketed.
- Respondents will most probably recall or recognise the name of the product after receiving a marketing SMS message about it.

Conclusions with regard to SMS communication creating interest and desire for the marketed product or service among learners were very interesting. The following issues pertaining to the matter can be highlighted:

- Recipients are very particular and specific about what they want to receive. A company cannot send a marketing SMS for an Osama bin Laden T-shirt to a pro-American (Bush) person. It will be deleted immediately and may evoke negative feelings towards the company.
- Targeted marketing is very important.
- A creative, humorous and unique message may deliver the required results in terms of the receiver's disposition toward the product or service.

A definite conclusion with regard to whether SMS communication can lead to action by learners is that an interesting SMS may lead to a decision and a desire to buy the product and it may also prompt the receiver to recommend the product to friends.

There are several problems and challenges in using SMS communication as a marketing communication technique. First and foremost is the matter of companies sending unsolicited messages. Unsolicited messages are a problem. The fact that these have not been

consented to by the receiver is a violation of the consumer's right to privacy. It may be viewed as a pirate form of marketing, and can lead to consumers developing a negative attitude towards the company concerned. They may develop an anti-marketing SMS stance that will be detrimental to the marketers.

The Internet e-mail provides a vivid example of what can happen if spam is allowed to continue. The main solution to this problem is the practice of permission marketing. It is clear that a company should exploit the needs and wants of the receiver of the SMS message very carefully before they embark on SMS marketing ventures. Another important aspect is that the same message should never be repeated twice. Using more than one SMS to market a product is an irritation to most consumers. It is effective only the first time it is sent.

Even though there are still a few problems in using SMS communication in marketing, there are a number of advantages that SMS users can enjoy. These are:

- SMS is quick to send.
- It takes only a bit of the reader's time and space on the cellular phone.
- The recipient's phone is guaranteed to receive the message (provided nothing goes wrong in the execution or network).
- The personal attention that is implied by the sending of a SMS to a client evokes a feeling of being part of the company and its vision from the customers' perspective. It makes him/her feel that the company is paying special attention to him/her.
- The recipient in turn gives attention to the message. If you walk past a poster, you glance at it but when you receive an SMS you physically sit, read it and you pay more attention to it. A higher level of involvement is thus guaranteed.
- A company that sends SMS communication to its customers or prospects has more chance to be remembered or recognised by the recipient than one not making use of this technique.

Challenges that face marketers with regard to the use of SMS marketing are huge. At the moment very few South African marketers are using SMS to market their products. This is an untapped marketing area that has potential to rake in money for the companies.

Clothing companies, network providers, and movie outlets are using this service in abundance, but perhaps not to its fullest potential.

Learners view SMS communication as a concise, witty and clever way of communicating. They also use it in abundance because it is affordable to them. SMS communication offers the convenience of sending messages anytime, anywhere (where there is a signal) and to anyone (who would like to receive it). It remains a superior tool of communication because of its portability and accessibility to different strata of the learner community.

Although some consumers may concede to receive marketing SMS communication, it does not mean that they should be bombarded with those messages. South African legislators need to protect people from exploitation and general violation of privacy by e-marketers.

The recipients of marketing SMS communication should be in a position to choose which ones they want and which ones they don't want. This also extends to non-marketing senders of messages, because the sending of irrelevant SMS communication is a problem. South African marketers also need to ensure that they use permission marketing in order to secure the future of SMS marketing and online marketing in general.

Recommendations

The recommendations offered have a dual purpose. Firstly, to assist marketing communication managers in using SMS as a marketing communication technique and, secondly, to highlight areas for further research.

- *For marketing managers:*

Marketers need to recognise that the use of SMS communication is a reincarnation of the human fascination with text rather than other message forms. They should exploit this as it is very cheap, accountable and its impact and response rate is quantifiable.

Rather than adding more detail to SMS communication, the marketing companies should use the shorthand SMS texting developed among learners, so that enough information can be conveyed in a single message. Therefore, they should understand and help develop this language.

South African marketers who are using SMS communication have not yet exploited it to its fullest potential. There is a need to ensure interactivity with the customers through SMS communication.

Customers should be rewarded for loyalty, especially if they are responding to the messages. Picture messages should be used more regularly as it can enhance the communication and provide more appeal to the message.

- *For future researchers:*

As stated earlier, SMS use is still at an infant stage, especially in South Africa. Further research is necessary to investigate additional ways in which consumers can be protected from careless marketers and also to determine how this technique can be used interactively for marketing efficiency.

It is also necessary to investigate possibilities for institutions like government to use SMS messages in fostering their communication with the public.

A FINAL WORD

The marketing world is full of opportunities that can improve the quality and interactivity with a view to integrate our communication efforts. Communicators should, therefore, look at improving these in order to appeal to the consumers. Fundamental in today's communication by marketers is to give what consumers need and to appreciate that the consumers are more informed and wiser. It is also important to recognise the importance of maintaining a two-way relationship with your customers.

Key to success and failure of most businesses is an in-depth understanding of their customer base and the application of this intelligence to their customer relationship management (CRM) programmes. The concept of customer relationship building is valid whether they are operating within a local, national or global market. In most cases this will include gaining a thorough appreciation of their life-stage, lifestyle, purchasing power and preferences by way of their geo-demographic make-up, and applying such to the identification of new prospects. It seems that customer acquisition and retention can then definitely be accomplished through direct marketing, and more specifically marketing SMS communication.

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