Electronic below-the-line promotions and perceived intrusiveness to the end consumer: A Durban perspective

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In light of increased competition in the retail environment, traditional means of promotion have proven to be less effective. Below-the-line promotions have begun to take on a more prominent role in gaining top-of-the-mind awareness among consumers. The ability to target a specific consumer with a specific message is often deemed as having greater value than when compared to the consumer being bombarded with irrelevant information through mass-media advertising. Electronic below-the-line promotional efforts are often seen as intrusive. There is a lack of knowledge of consumer attitudes towards these techniques. This study examines attitudes towards electronic below-the-line promotions in terms of their perceived intrusiveness among consumers in the Durban area. The findings indicate that most of the consumers did not consider electronic below-the-line promotions as being intrusive or an invasion of their privacy, although, many were unsure in this regard. It emerged that attitudes towards electronic below-the-line promotions were generally favourable, with the majority of respondents indicating that such promotions may drive them to purchase action.

Key words: Below-the-line promotions, perceived intrusiveness, internet marketing, mobile marketing.

INTRODUCTION

In an increasingly competitive retail environment, where many firms seek not only to make the consumer aware of their particular offering, but more importantly, to gain top-of-the-mind awareness, use of below-the-line promotions is on the increase. The recent proliferation of electronic media, especially in terms of mobile technology, allows the marketer new and creative ways to focus and direct specific information to any particular consumer at any time, although, this is often seen as intrusive and overbearing. This study is relevant in the current environment, where the ability to target a specific consumer with a specific message is often deemed as having greater value than when compared to the consumer being bombarded with irrelevant information through mass-media advertising.

Problem statement

Electronic below-the-line promotional efforts are often seen as intrusive. There is a lack of knowledge of consumer attitudes towards these efforts. This study examines consumer attitudes towards electronic below-the-line promotions in terms of their perceived intrusiveness.

Aim of the study

This study aims to investigate consumers’ attitudes towards electronic below-the-line promotions and their perceived intrusiveness.

Objectives of the study

The objectives of this research study are:

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1. To assess consumer awareness of electronic below-the-line promotions.
2. To evaluate consumer attitudes toward these promotions with regard to invasion of privacy and intrusiveness.
3. To ascertain whether or not these promotions are perceived as being effective by consumers.

Rationale

Awareness in the mind of the consumer is a good thing, but often, the approach used by the marketer may be seen as intrusive and possibly even irritating. This study looks at whether or not the consumer sees electronic below-the-line promotions as beneficial, as well as investigating the attitudes of consumers toward such promotional efforts. The findings of this research would be useful to marketers with an interest in tailoring focussed promotional efforts, as well as to below-the-line advertising agencies.

LITERATURE REVIEW

The challenges and opportunities facing the marketer in the 21st century are as unique as they are diverse, with the electronic medium being the most dynamic. Below-the-line promotions are focussed towards the end consumer, compared to above-the-line communications, which are typically intended for general consumption (Koekemoer, 2004). Arens (2004) states that digital interactive media encompasses all electronic channels of which communication with the audience can participate actively and immediately. Marketers know the value of customer information when it comes to tailoring a promotional effort, and electronic databases with customer information and historic buying behaviour can be tapped to focus specific communications towards a particular consumer. The power of this information comes to the fore in the current retail environment when e-mail and mobile-based facilities such as SMS or MMS are used, as implied by Blythe (2006), often catching the consumer unawares and leading to greater levels of retention. This literature review aims to look at below-the-line promotions and direct marketing, use of the internet and the impact of mobile technologies, and issues related to privacy and ethics, and the impact of these on the end consumer in the South African retail environment.

Direct marketing and below-the-line promotion

Tapp (2000) defines direct marketing as the focus on using a database to communicate directly to consumers, so as to attract a direct response. The key to directing a personalised communication towards an end consumer is, of course, information about them, be it personal or related to their purchasing behaviour. In the South African retail context, the value of this information has come to have increasing importance to the retailer, as this allows for more efficient ways to communicate specific information.

The key to modern direct marketing is the capture of an individual’s details, so that the marketer can begin a relationship with that customer, subsequently treating them differently over time in order to generate repeat business, as stated by Tapp (2000).

Promotions that are not represented via traditional mass-media channels, and using mediums that are in direct control of the business, are seen as below-the-line promotions, according to Wilmshurst (2003). The information disseminated by a business towards a particular consumer is often communicated in a personal manner, such as in-house magazines mailed to their homes, coupons awarded at point-of-sale, and more increasingly, via electronic means.

The internet and mobile technology

According to Cappo (2003), electronic promotions can be the most potent marketing weapon, as they are aimed directly at the consumer, and are able to elicit an immediate response. Koekemoer (2004) highlights the emergence and effectiveness of the internet as a promotional tool and makes reference to “interstitials” or “pop-ups” which can be effective in certain circumstances, but can be a source of irritation to some Web users.

Consumer demand for online shopping continues to grow at a rapid pace (Chaffey et al., 2009). With the average consumer’s access to the internet on the increase, marketing communications are increasingly being targeted at named individuals rather than at homogenous segments of the market. The marketer is presented with more opportunities to pass information on to consumers, and in more personalised and efficient ways. Hart (2003) indicates that customer interaction is data-driven, and that the wider accessibility to the internet, and thus e-mail, amplifies the ability of the marketer to take advantage of the consumer data available to them.

This increased interaction also allows the business to adopt a more customer-led approach, whereby the business can adapt to the consumer’s needs more dynamically. Specials and promotions can be communicated immediately, without the wait of having traditional mail delivered via the postal system, and at a fraction of the cost. Also, feedback can be gained and measured relatively quickly, as it is more convenient for the end consumer to reply immediately to an e-mail than to a postcard or letter. In a survey of 2500 online shoppers, 43% of respondents indicated that e-mail was an important factor in their most recent purchase
Privacy and ethics

While being highly dynamic and measurable to the retailer, electronic below-the-line promotions do raise privacy issues. As much as the retailer wants to push information to the end consumer, the end consumer may not always want to be at the other end of a promotional effort. An invasion of privacy could, in fact, be detrimental to the consumer’s image of the retailer. Arens (2004) indicates that “spamming” is increasingly becoming a nuisance to the consumer reading through their e-mail. Also, receiving in-store promotional information at a time when a consumer may not want to be advertised to could be disadvantageous to the retailer (Cappa, 2003), as this could even irritate the consumer, and dissuade them from making a purchase. Often, consumers see their shopping time as down-time, hence, such promotional programmes could be seen as intrusive in their eyes. According to Chaffey et al. (2009), customers have an expectation that if they are prepared to provide personal and financial information, this would be stored securely.

From an ethical perspective, the consumer parts with their personal information willingly, under the premise that the retailer will safeguard this information and only use it for desirable means (Mennecke and Stader, 2003). The retailer may fall into disregard, and possibly be liable for prosecution, if such information is shared or sold to third parties.

RESEARCH METHODOLOGY

The research was quantitative, cross-sectional, and descriptive in nature. Each respondent was measured on three variables, awareness, attitudes towards, and effectiveness of electronic below-the-line promotions.

Respondents comprised a sample of shoppers across three major retail shopping centres in the Durban area viz. Pavilion, Musgrave, and Gateway, using convenience sampling as a basis. The sample size of 384 consumers was informed by Sekaran (2003) who advises such a sample size for a population exceeding one million members. 300 usable questionnaires were received, based on which the data was analysed.

RESULTS

Awareness of consumers of electronic below-the-line promotions

It was found that the vast majority of respondents were indeed aware of electronic below-the-line promotions in the retail sector, as indicated in Figure 1. 13% of the sample was unaware of such promotional efforts.

Promotional information received

Four electronic means of conveying promotional information were looked at, namely SMS, e-mail, Bluetooth messaging, and pop-up advertisements on websites, as shown in Figure 2. While half the respondents had received promotional information via e-mail, 70% had seen pop-up adverts on websites. When looking at cellular-based means, 77% had not received any information via the Bluetooth application, and it is worth noting that 100% of all respondents had received SMS’s from retailers regarding promotional material.

Electronic means by which promotional material is most often received

Respondents were asked by which electronic means they had received promotional information most frequently. As reflected in Figure 3, the majority of respondents indicated that SMS was the most frequent, followed by e-mail.

Frequency of reception of electronic promotional messages

The survey looked at how often consumers were receiving advertisements from retailers via electronic means. Half the sample received such information on a monthly basis, while 20% had received such information weekly and less than once a month. Only 7% of the respondents were advertised to directly daily, and 3% once every fortnight, as depicted in Table 1.
Percentage  
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Figure 1. Awareness.

No, 13%
Yes, 87%

Figure 1.

Figure 2. Reception of promotional information.

Figure 3. Most frequent electronic means by which promotional information is received.

Action

Respondents were asked to indicate if they, upon reception of direct promotional information via electronic means, deleted the message immediately without reading it, read it only to ascertain whether or not it was of interest to them, or acted on the information by visiting a store or making a purchase. 73% (219) only read the message to find out if it was of interest to them, while 17% (51) completely disregarded such messages and deleted them immediately, and only 10% (30) of the respondents acted on the message. The results are represented in Figure 4.

Invasion of privacy

Respondents were asked to adopt a position regarding
Table 1. Frequency of receipt of electronic promotional messages.

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<thead>
<tr>
<th>Period</th>
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<tbody>
<tr>
<td>Daily</td>
<td>21</td>
<td>7</td>
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<tr>
<td>Weekly</td>
<td>59</td>
<td>20</td>
</tr>
<tr>
<td>Fortnightly</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Monthly</td>
<td>150</td>
<td>50</td>
</tr>
<tr>
<td>Less than once a month</td>
<td>59</td>
<td>20</td>
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<tr>
<td>Total</td>
<td>300</td>
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Figure 4. Action.

Figure 5. Invasion of privacy.

below-the-line electronic promotions and invasion of their privacy, using the Likert scale. The results are presented in Figure 5.

It is interesting to note that 140 of the respondents disagreed, with ten respondents disagreeing that below-the-line promotions were an invasion of privacy, while 80 respondents were unsure, and 70 respondents agreed that that such a means of promotion are an invasion of privacy.

Intrusiveness

Respondents were asked to adopt a position with regard to intrusiveness. Only 10% (30) of the respondents agreed, and 43% (70) disagreed with the statement, while 7% (10) strongly disagreed, and 40% of the sample (140) neither agreed nor disagreed that electronic below-the-line promotions are intrusive. The results are shown in Figure 6.
Attitude towards below-the-line promotions

Figure 7 depicts the overall attitude of consumers towards electronic below-the-line promotions. While 47% of respondents adopted a neutral position, the attitudes of 10% were unfavourable, but 43% of respondents were favourably inclined towards such promotional efforts.

Perceived effectiveness of electronic below-the-line promotions compared to mass-media advertising

Respondents felt that direct promotional efforts via electronic means were more effective than mainstream media advertising. It was found that 80% of respondents agreed, as shown in Figure 8, that electronic below-the-line promotions were perceived to be more effective compared to mass media advertising.

Receiving promotional information via electronic means, as opposed to physically in the post

Respondents were asked whether they would prefer to receive direct promotional material by electronic means, rather than physically in the mail. 37% of the respondents strongly agreed with the statement, 46% agreed, 14% were unsure, and 3% of respondents disagreed that they preferred to receive promotional material via electronic means, as opposed to promotions via post. The results are shown in Table 2.

Preferred electronic means of reception of promotional information

Respondents were asked to rank, in order of preference, which electronic means they would prefer to receive promotional information by. The results are presented in Figure 9. 248 most preferred to receive SMSs, 33 via e-mail, 19 respondents most preferred pop-up messages on websites, and none preferred to receive such information via Bluetooth.

Privacy of information

When asked whether they felt comfortable with disclosing...
personal details to retailers with the belief that this would be kept confidential, 4% of respondents strongly disagreed, 4% of respondents disagreed, 11% neither agreed nor disagreed, 31% agreed, and 50% of respondents strongly agreed that retailers would keep their personal details a secret and not divulge this to a third party. The results are shown in Figure 10. It therefore, emerged that over 80% of respondents trusted retailers in terms of confidentiality of personal information.

**DISCUSSION**

Consumer attitudes toward electronic below-the-line promotional efforts are often seen as intrusive. A better understanding of these attitudes is of value to the marketer, and needs to be clearly defined and investigated. This study addressed the problem by secondary and primary research to uncover and highlight consumer attitudes. This study aimed to investigate South African consumers' attitudes toward electronic below-the-line promotions. The objectives of this research study were to assess consumer awareness of electronic below-the-line promotions, to evaluate consumer attitudes towards these promotions with regard to invasion of privacy and intrusiveness, and to ascertain whether or not these promotions were seen as effective in the eyes of the consumer. This study looked at whether or not the consumer saw electronic below-the-line promotions as beneficial, as well as investigating the attitudes of
consumers toward such promotional efforts. The findings of this research could be useful to marketing executives in retail organisations with an interest in tailoring focussed promotional efforts, as well as to below-the-line advertising agencies.

Conclusion

From the primary research conducted by using surveys administered using the mall intercept method, it can be concluded that the majority of consumers were aware of electronic below-the-line promotions, and often received such information. Most of the respondents also did not see these promotions as intrusive or an invasion of their privacy, although many were unsure in this regard. Attitudes towards such promotions were generally favourable, with over 60% of respondents indicating that such promotions may drive them to purchase action.

RECOMMENDATIONS

Based on the research findings, the following recommendations are made:

1. Marketers need to be made aware of, and possibly conduct more research into, attitudes of consumers toward electronic below-the-line promotions, especially those in the retail sector, as well as marketers involved specifically in below-the-line promotional work.
2. Since most consumers prefer to receive focussed, personalised promotional material electronically by means of their cell phones, marketers need to promote to the consumers via a means that is preferred, especially since mobile technology allows the consumer to be reached at any time the marketer wishes so.
3. Marketers need to be wary when it comes to being intrusive and possibly irritating the very consumers they intend to promote to, by reaching them only when they wish to be advertised to, and not whenever is convenient for the marketer.
4. Focussed electronic promotions can be used not only to remind consumers of particular product offerings and specials, but also to reinforce primary demand by maintaining high levels of product awareness.

REFERENCES