**SMS ADVERTISING –A CRITICAL REVIEW
AND FUTURE DIRECTIONS**

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ABSTRACT

The area of SMS advertising is relatively new and under-researched within marketing literature. SMS advertising itself is encompassed by the broader areas of M-Commerce and Mobile advertising, which are experiencing rapid growth. A review of literature surrounding the topic of SMS advertising has revealed the key drivers of consumer acceptance. While the broad drivers of acceptance are agreed upon in the literature, researchers disagree on the importance of each issue. This review also presents a summary of the key gaps within SMS advertising literature.

INTRODUCTION

The topic of SMS advertising is encompassed by the broader areas of literature on mobile commerce and wireless advertising, known as mobile advertising. This review will look at the broader area of M-Commerce and mobile advertising, and establish the place of SMS advertising within this context. In explaining the background of SMS advertising, this review looks at the origins and current industry practices in the SMS advertising industry, as well as detail the results of findings into the effectiveness of SMS advertising. This review aims to critically analyze SMS literature that is relevant to this study, with a focus on the key drivers of acceptance of SMS as an advertising tool. Next, the review of literature discusses the similarities and differences between research findings in the area, outlining potential reasons for these, and their implications. Finally, this review will identifies current gaps in the overall literature, which will form the basis for the justification of the proposed research topic

M-COMMERCE

SMS advertising is just one part of the wireless advertising industry, albeit the most popular and successful part (Bauer et al. 2005). Mobile advertising itself falls under the broad category of Mobile Commerce. According to Peters, Amato and Hollenbeck (2007) M-Commerce includes mobile advertising, shopping, payment systems, emergency services and game playing, among other applications. The Mobile Commerce industry, aided by technological advances and driven by the youth market, is expected to be worth $88 billion dollars in 2009 (*Jupiter Research Wireless Market Forecast, 2004 to 2009* 2004).

M-Commerce Research

Despite growth and recent development in M-Commerce, research in the area is still in its infancy (Maneesoonthorn and Fortin 2006), and much of the early literature focuses on fields such as computer science and management information systems (Malloy, Varshney, and Snow 2002). The earliest paper within the field of marketing, by Balasubramanian, Peterson, and Jarvenpaa (2002), discusses the advantages of M-Commerce in terms of flexibility of space and time. More recently, however studies have been conducted on consumer acceptance of M-Commerce applications (Bauer et al. 2005; Clarke 2001; Dholakia and Dholakia 2004; Peters, Amato, and Hollenbeck

2007). Findings from these studies indicate that trust and permission are vital in consumer adoption of M-Commerce applications, providing an insight into the considerations marketers need to make when sending wireless advertising messages to consumers (Bamba and Barnes 2007; Barnes and Scornavacca 2004). Other studies have highlighted the important aspects of M-Commerce, for Example Varshner and Vetter (2002) identified several technologies that may play an important role in the future, including SMS, Bluetooth, iMode, and GPRS.

Further literature in the broad field of M-Commerce has proposed some relevant theories. For Example, Barnes (2002) highlights how value is added to activities involved in providing M-Commerce to the consumer. From this research, Barnes (2002) proposes a mobile business value chain constructed of seven links. Other Empirical studies in the area have identified wireless internet service values (Anckar and D'Incau 2002), demographic influences such as age, gender and academic qualifications on M-Commerce adoption (Gilbert, Lee-Kelley, and Maya 2003) and consumer expectations of mobile services and products (Carlsson and Walden 2007) among others.

Some researchers of M-Commerce have applied popular marketing theories to the discipline. One common application is The Technology Acceptance Model (TAM), an information systems theory (Peters, Amato, and Hollenbeck 2007) which is an extension of Fishbein and Ajzen's (1974) Theory of Reasoned Action. TAM proposes that an individual's intention to use a new technology is determined by their attitudes towards it, as well as beliefs relating to perceived usefulness and ease of use (Muk 2007). Other relevant theories include the diffusion of innovation (Rogers 1995), the expectation -(dis)confirmation model (Bhattacherjee 2001), and the Media Uses and Gratifications model (Katz, Gurevitch, and Haas 1973).

SMS ADVERTISING – A COMPONENT OF MOBILE ADVERTISING
As M-Commerce has evolved over the past few years, wireless mobile advertising has become an important source of revenue for the industry (Bauer et al. 2005). Mobile advertising is expected to grow with the convergence of internet and telephone services (Maneesoonthorn and Fortin 2006). This is due to the increasing rate of mobile phone use, with penetration rates reaching 84% in the United States alone

(Laszlo 2009). Due to the development of new wireless technology, and the rapid diffusion of mobile phone use throughout the world, wireless advertising is becoming a "hot topic"(Maneesoonthorn and Fortin 2006). Mobile phones are highly personalized, and therefore present marketers with the opportunity to send offers at the right time, to the right consumer (Bauer et al. 2005). Mobile advertising is a relatively broad concept, with many different types of applications linked to phones being considered as advertising. Among many other types, mobile advertising exists in the form of internet browsing (Varshney and Vetter 2002), media downloads (Nysveen, Pedersen, and Thorbjorsen 2005), Bluetooth (Leek and Christodoulides 2009) , MMS (Cheng et al. 2009) and of course SMS, which is the most popular medium and the focus of this study (Merisavo et al. 2007).

Previous studies on the wireless advertising environment have categorized mobile advertising into two basic types, push and pull (Barnes 2002; Varshney and Vetter 2002). Pull advertising in the mobile context typically involves placing advertisements on wireless browsing content, such as mobile internet applications, games and other media downloads, whereby consumers will come across them. Push advertising refers to sending advertising messages to consumers, through the use of an audio alert (Barnes 2002). SMS advertising therefore falls into the push category, and is considered a form of direct marketing (Maneesoonthorn and Fortin 2006). SMS advertising is by far the most popular and profitable form of mobile advertising (Sultan and Rohm 2005), and by using demographic information collected by mobile service providers, marketers are able to promote goods and services through personalized messages sent directly to the consumer (Grant and O'Donohoe 2007; Varshney and Vetter 2002).

SMS and the IMC Mix
 SMS has been primarily used as a tool to communicate between social networks (Leung 2007), though industries are now beginning to use the technology in day to day business, by sending relevant information to customers, providing invoices and parcel tracking systems (Leung and Wei 2000; Merisavo et al. 2007; Phau and Teah 2008). Among these other types of SMS interaction, marketers are beginning to see the value of advertising their products and services via SMS (Sultan and Rohm 2005). SMS advertising is currently being used in a variety of markets and industries, though

it is most common in the fast moving consumer goods sector. Early on, global brands such as McDonald's, Coca Cola, Dunkin Donuts, Nike and Adidas realized the potential for SMS marketing, and have all implemented mobile advertising into their marketing mix (Grant and O'Donohoe 2007; Peters, Amato, and Hollenbeck 2007). In past campaigns, consumers have been sent coupons or other promotional offers, as well as being invited to enter sweepstakes or other competitions (Muk 2007). Past SMS campaigns have also prompted consumers to send codes promoted by the company on its products in exchange for vouchers, thereby the consumer receives something of value and the advertiser gains a customer (Muk 2007). At the cutting edge of SMS advertising, providers are incorporating GPS (Global Position System) technology into mobile phones, in order to target customers with timely information in specific locations (Okazaki and Taylor 2006). For example, Japanese agencies are transmitting local restaurant advertisements on public transportation by using electronic boarding passes to detect a person's final destination, and then sending them advertisements relevant to that destination (Okazaki and Taylor 2006). While SMS advertising has become a useful tool for marketers, the lack of knowledge and trust of the medium has seen it being used sparingly, and largely tailored towards the youth segment (Grant and O'Donohoe 2007). Furthermore, campaigns that have been run rarely use SMS as their main medium, rather as a tool to reinforce traditional channels such as print and broadcast media (Zhang and Mao 2008).

Effectiveness of SMS Advertising

Initial studies on SMS based campaigns have reported conflicting results as to whether SMS is an effective advertising medium. Some studies have indicated that SMS advertising generates higher response rates than other media, including internet banner ads and direct mail (Merisavo et al. 2007; Zhang and Mao 2008). A pioneering study conducted by Barwise and Strong (2002) focused on permission based SMS advertising, sending recruited respondents over 100 advertisements in a six week period. Results were encouraging for advertisers, finding that 81% read all messages and 84% passed messages along to friends. Similar studies have found that SMS advertising has resulted in positive brand awareness (Barnes 2002) , is an excellent communicator of brand value (Barnes and Scornavacca 2004), and is better at targeting the youth market than other mediums (Maneesoonthorn and Fortin 2006).

On the other hand, some researchers have found that consumers have had a lukewarm response to SMS advertising, especially when used in excess (Grant and O'Donohoe 2007). Consumers have also proven to be weary of being charged heavily on downloads of mobile content (Phau and Teah 2008), presenting the need for a more cautious attitude to the use of mobile advertising (Okazaki and Taylor 2006). The variation in campaign results and differing opinions of researchers as to the effectiveness of SMS advertising can potentially be explained by the thought that SMS advertising seems to work differently for different customers. Also, success of a campaign or message is highly dependent on the nature of the advertisement, as well as the advertised product (Merisavo et al. 2007). In light of the arguments on the positive and negatives of SMS advertising, several factors for the success of SMS campaigns have been put forward in various studies. Common factors impacting on effectiveness found in the literature include: targeted messages (Barnes 2002), relevant messages(Barwise and Strong 2002; Dickinger et al. 2004; Tsang, Ho, and Liang 2004), valuable content (Barwise and Strong 2002; Carroll et al. 2007; Kim, Park, and Oh 2008; Peters, Amato, and Hollenbeck 2007) and context/time awareness (Bamba and Barnes 2007; Jun and Lee 2007; Merisavo et al. 2007).

CONSUMER ACCEPTANCE OF SMS ADVERTISING

In recent times, acceptance has gained considerable importance in advertising research, helping to provide insights into the potential success or failure of new advertising mediums (Bauer et al. 2005). This has been extended to the study of SMS advertising, and as more consumers become exposed to the growing practice of SMS advertising, their acceptance of this medium is becoming increasingly important to campaign success (Heinonen and Strandvik 2003; Merisavo et al. 2007). As mobile marketing is still a relatively new concept, most consumers have not yet made a decision to use or adopt this innovation. According to Bauer et al (2005), it is impossible to effectively measure adoption or use acceptance for mobile advertising, instead studies should focus on forecasting acceptance by measuring consumer attitudes towards acceptance. A substantial portion of the literature on SMS advertising focuses on consumer attitudes and acceptance (Merisavo et al. 2007), and is also the focus of this research. The majority of literature on acceptance of SMS advertising places a spotlight on the factors, or drivers that may influence acceptance, though one pioneering study conducted by Rettie, Grandcolas and Deakins (2005)

looked at broad acceptance over a range of SMS campaigns. This 2005 study analysed twenty six SMS advertising campaigns, finding that forty four percent of consumers deemed SMS advertising very or fairly acceptable, with only twenty one percent finding it very or fairly unacceptable (Rettie, Grandcolas, and Deakins 2005). The results from this study suggest consumers are relatively accepting of this medium as an advertising tool.

Consumer acceptance of advertising in general has been well researched in marketing literature. Early surveys of consumer acceptance revealed positive results towards advertising (*Gallup Organization: A Study of Public Attitudes Towards Advertising* 1959), with consumers finding advertising informative, although public opinion has become more negative in recent times (Chowdhury et al. 2006; Muk 2007). Recent studies have focused on attitude structures of different media, highlighted by a study on popular media, which analyzed attitudes towards TV, broadcasting, magazines, newspapers, yellow pages and direct mail (Elliot and Speck 1998). The results of this study demonstrated how the various types of media impact differently on consumer attitudes. It was discovered that advertising clutter, hindered search and disruption were found to negatively impact on attitudes to advertising across all media. It was also found that television and magazine advertising received the highest levels of advertising related communication problems (Elliot and Speck 1998).

Drivers of Consumer Acceptance of SMS advertising

As indicated above, a substantial portion of studies into acceptance of SMS advertising has focused on the drivers of acceptance. Researchers do tend to agree on the broad issues that are important in determining consumer acceptance of SMS advertising, though there is some disagreement as to the relative importance of each issue (Maneesoonthorn and Fortin 2006). Most researchers agree that the nature of an advertising message, the context within which it is received, potential irritation and consumer privacy are the key concepts that need to be taken into consideration when determining acceptance (Bauer et al. 2005; Nysveen, Pedersen, and Thorbjorsen 2005; Pura 2005; Tsang, Ho, and Liang 2004). Indeed, the concepts that determine acceptance of SMS advertising closely reflect the factors for effectiveness of the SMS advertisement. This can be explained by the idea that acceptance is typically seen as

an indicator of the effectiveness of advertising in general (Jun and Lee 2007; Phau and Teah 2008).

Utility

A number of studies have identified the importance of the nature of the advertising message, and the perceived utility of SMS advertising in the eyes of consumers (Bauer et al. 2005). The utility of an advertisement is comprised of message related factors such as entertainment value, information content, relevance and usefulness (Merisavo et al. 2007). For instance, some researchers have promoted the entertainment value and perceived enjoyment gained from SMS advertisements as having an impact on attitudes, and therefore likeliness to accept SMS advertising (Bauer et al. 2005; Chowdhury et al. 2006; Dickinger et al. 2004; Krishnamurthy 2001). For example, one study conducted by Krishnamurthy (2001) found that consumer attitudes towards SMS advertising were increased by exposing them to interactive games, therefore increasing familiarity with the advertised product. A similar study, conducted by Bauer et al. (2005) also suggested that entertainment value was a strong driver of mobile advertising acceptance, and noted that favourable attitudes to mobile advertising were more likely if a message was creatively designed or entertaining.

In addition to entertainment, researchers have focused on the nature of the information within the advertising message. These studies suggest that if the message content is seen as relevant (Maneesoonthorn and Fortin 2006), informative (Carroll et al. 2007) or useful (Kim, Park, and Oh 2008), consumers are likely to have positive attitudes towards SMS advertising. The broad consensus within the literature suggests that if the advertising content is valuable in the eyes of the consumer, favourable attitudes towards the medium are more likely to be formed (Merisavo et al. 2007). Furthermore, monetary incentives have also been found to add value to SMS advertising, and further impact consumers decision to accept SMS advertising. Monetary value, in this context, can be described as good value for money in comparison to other advertising alternatives (Pura 2005).

One study on SMS advertising found that monetary value had a strong influence on intention to use mobile advertising, as it offers consumers instant access to products

or services that may be good value (Pura 2005). According to the literature, when consumers are presented with benefits such as entertainment value, information value or monetary value within a message, they are more likely to have favourable attitudes towards SMS advertising, and accept it (Ajzen and Fishbein 1980; Jun and Lee 2007). According to Merisavo et al (2007), important factors such as entertainment value, information content, relevance and usefulness collectively form the total utility, or use, that consumers perceive in SMS advertising.

Context

A common theme within the literature that is seen to impact SMS advertising acceptance is the notion of context. Context, in the mobile advertising literature, refers to the consumer receiving information that is time and location specific (Heinonen and Strandvik 2003). An advertising message can be made contextually valid by identifying the location of a single consumer at a specific point in time, for example, the sending of a shoe voucher while passing by a shoe store (Heinonen and Strandvik 2003). This contextually specific form of advertising has been found to add value for the consumer, and is referred to as "conditional value" within the literature, occurring only within a specific situation (Holbrook 1994; Merisavo et al. 2007).

Several related studies have identified the value consumers place on utilisation of time and place (Heinonen and Strandvik 2003; Merisavo et al. 2007; Pura 2005). For example, a study by Pura (2005) into location based SMS advertising found context the single most important factor in determining behavioral intention to use SMS advertising, with consumers often making mobile-based decisions spontaneously and based on situational needs. Similarly, Merisavo et al (2007) highlighted the importance of sending context relevant messages, finding time/place awareness of the advertiser to be one of the strongest drivers of consumer acceptance of SMS advertising. Similarly, other research has focused on the concept of personalisation when sending SMS advertising messages (Ho and Kwok 2003). This involves consumer provision of more extensive personal details, in order to cut back on the number of irrelevant advertisements and therefore increase the chance of favourable attitudes towards the medium (Barwise and Strong 2002; Ho and Kwok 2003; Maneesoonthorn and Fortin 2006).

A relevant study conducted by Ho and Kwok (2003) found that some customers were willing to change to a new service provider with more personalised services, in order to stop receiving poorly targeted mobile advertisements. Furthermore, a study by Barwise and Strong (2002) found that the very personal nature of the mobile phone meant that consumers expected their advertising messages to be personalised, and highly targeted messages were more likely to result in favourable consumer attitudes.

Sacrifice

Some researchers have placed a focus on the perceived risks that consumers experience when dealing with SMS advertisements. Risks relating to irritation and other negative associations represent the sacrifice that consumers perceive in receiving SMS advertising. A common theme in the literature suggests that acceptance of SMS advertising is greatly influenced by the level of perceived annoyance and irritation of an advertising message (Grant and O'Donohoe 2007; Peters, Amato, and Hollenbeck 2007). For example, Grant and O'Donohue (2007) found that young consumers perceive mobile communication as purely a social tool, and any attempt to commercialize this medium was met with thoughts of irritation, intrusion and mistrust. Studies such as these have provided a reminder to marketers that while they see the mobile phone as a "brand in the hand" (Sultan and Rohm 2005) and potential advertising phenomenon, consumers may be less enthusiastic about advertising in this medium. These findings in the area of mobile advertising are also supported by a general consensus in the broader advertising literature. This consensus suggests that advertisements that annoy (Tsang, Ho, and Liang 2004), offend (Chowdhury et al. 2006), or are excessively manipulative (Ducoffe 1995) are likely to be perceived negatively by consumers, and therefore impact on their acceptance of an advertising message. The perceived risk of irritation when receiving an advertising message therefore represents a disadvantage of mobile advertising in the eyes of the consumer, and may deter them from accepting the medium as a legitimate advertising tool (Merisavo et al. 2007).

Control

The literature has revealed that a major influence on consumer acceptance of SMS advertising is the perceived control that consumers have over the number and types of SMS advertisements they receive (Bamba and Barnes 2007; Barnes and Scornavacca

2004; Bauer et al. 2005; Carroll et al. 2007; Dickinger et al. 2004; Grant and O'Donohoe 2007; Krishnamurthy 2001; Maneesoonthorn and Fortin 2006; Merisavo et al. 2007). This issue of control relates to the notion of permission and privacy. The vast majority of studies on the topic concluded that consumers would be more likely to have positive attitudes towards SMS advertising if permission was given prior to communication (Merisavo et al. 2007). For example, Rettie and Brum (2001) found that the majority of consumers were concerned about unsolicited text messages, and would generally like to receive messages after permission was given. Other studies have revealed that consumer's fear registering for information based SMS services out of privacy concerns (Dickinger et al. 2004) and believe that unsolicited messages that interrupt daily activities are likely to severely damage brand image (Hoyer and MacInnis 2004; Muk 2007). These consumer sentiments are also reflected in marketer's use of SMS advertising, for example a report found that 80% of surveyed companies using SMS advertising feared for invading consumer's privacy, and 60% feared a negative consumer reaction (Lussanet 2001).

While there is disagreement about the value of other determinants in the literature (Maneesoonthorn and Fortin 2006), permission and privacy has consistently been included as a construct to determine consumer acceptance of this medium as an advertising tool (Bauer et al. 2005). The likely reason for the importance of this issue is that the public has become increasingly skeptical about the intentions of marketers and advertisers (Merisavo et al. 2007). This privacy variable is such an important consideration for SMS advertisers, as consumers may choose to delete ads or even switch providers if they deem ads too intrusive (Grant and O'Donohoe 2007). additionally, users of SMS have been found to want control over the types and numbers of SMS advertisements they receive (Carroll et al. 2007). According to a study conducted by Merisavo et al (2007), consumer's willingness to accept mobile advertising is also affected by their knowledge and trust in the laws that protect marketers from sending them unsolicited advertising messages. In addition to this, if consumers believe the personal data they provide to marketers will not be misused, they are more likely to accept SMS advertising.

Attitudes to Advertising in General

Research conducted within the literature suggests that consumer attitudes to advertising in general may impact on acceptance of SMS advertising. Some research has also been conducted on the relationship between attitudes to advertising in general, and attitudes towards advertising in specific media. In particular, one such study analysed the relationship between overall attitudes to advertising, and attitudes toward mobile advertising (Bauer et al. 2005). The researchers found that as mobile advertising is relatively new, consumer attitudes towards this medium were likely to be unstable and changeable. These attitudes therefore were influenced by attitudes to advertising in general, which were far more stable and consistent, and helped shape opinions toward the newer mobile advertising. Bauer at al (2005) concluded that the more positive the attitude towards advertising in general, the more likely a consumer was to have favourable attitudes towards mobile advertising.

Inconsistency of Findings in SMS Advertising

While the broad issues relating to consumer acceptance of SMS advertising are agreed upon in the literature, there is disagreement on the importance of each concept (Maneesoonthorn and Fortin 2006). This has been highlighted by the findings of many researchers on the topic, who have come to different conclusions about the most important drivers of acceptance of SMS advertising. As shown above, some researchers, such as Chowdhury et al (2006), Bauer et al (2005) and Merisavo et al (2007), promote the nature of the message as the most important driver of consumer attitudes and acceptance. In contrast, other findings suggest that context is the biggest driver of acceptance (Pura 2005; Heinonen and Strandvik 2003). Other studies (Grant and O'Donohoe 2007; Peters, Amato, and Hollenbeck 2007) have found irritation and other sacrifices to be the primary factor affecting acceptance. Finally, one significant school of thought within the discipline shows permission and privacy to be the key driver of acceptance, as shown by the research findings of Carrol (2007) and Barnes and Scornavacca (2004). The disagreement among academics in this field can be partially explained by the limited amount of research that has been conducted in the area. Mobile Commerce, and particularly mobile advertising, is a relatively new concept in the field of marketing, meaning early results are preliminary, and should not be treated as empirically generalisable. The few studies that have been conducted have also lacked rigour, with generally poor application of grounded marketing

concepts and theories to support hypotheses. Combine the infancy and depth of research in this field with the notion that marketing itself is a social discipline that researches non-economic concepts such as attitudes and opinions, and it is easy to see how a discrepancy in findings can occur (Sheth, Gardner, and Garrett 1988).

In addition, the range of different cultures surveyed within studies on this topic has added to the inconsistency of findings in this area (Phau and Teah 2008). Within the relatively small number of projects conducted on this topic, a vast range of different countries have been used as samples for studies. Different cultures may have varying degrees of experience with SMS advertising, and have been exposed to different types of advertisements (Merisavo et al. 2007). This affects consumer acceptance SMS advertising, and the potential drivers of this acceptance. One potential driver of consumer acceptance that is particularly influenced by culture is the issue of permission and privacy. In some countries, such as the UK and Australia, stringent laws regarding the sending of unsolicited text messages are in place, where as other countries have little or no legislation in place preventing messages sent without permission (Merisavo et al. 2007). This affects the importance different consumers place on the permission issue, and can certainly affect their acceptance of SMS advertising (Bamba and Barnes 2007). These cultural differences highlight the difficulty in generalizing results across cultures, and help to explain the differences in past findings.

RESEARCH GAPS

A number of research gaps can be identified in the overall body of literature. First, very little empirical research has been conducted on the drivers of consumer acceptance in an Australian context, with the focus being on the European, American and Asian market (Phau and Teah 2008). A potential reason for this is that these markets are seen as early adopters of mobile technology, and therefore more likely to have a familiarity with SMS advertising. As such, the Australian market is still emerging in terms of SMS advertising, though it is expected to become an effective and profitable channel in the future (Leung 2007). As highlighted in the above discussion of cultural differences, it would be unrealistic to simply generalise the findings of studies conducted across other cultures to an Australian context, as results would not necessarily be representative of Australian consumers. A lack of

understanding within the Australian marketplace represents a need to research the drivers of Australian consumer acceptance of SMS advertising.

In addition, the vast majority of research conducted on SMS advertising has focused on young consumers. This is due to the fact that these consumers are seen to have adopted this technology earlier than other demographics, and represent an easily accessible and knowledgeable source of information (Phau and Teah 2008). While young consumers present a valid and reliable source of data (Yavas 1994), results may present some bias, in that they are not gaining an insight into the entire population, just the heaviest users of the technology. These limitations in the literature present an opportunity for much needed further research in the area, to gain an understanding of the marketplace as a whole.

The research conducted in this study attempts to bridge some of the gaps in past research. Firstly, this study will be conducted on Australian consumers. This Australian context is previously under researched, and this study will shed some light on the nature of Australian mobile phone users. While the majority of research has been conducted on young consumers, this study will also primarily seek respondents of a young age. As the Australian mobile advertising industry is relatively new (Dholakia and Dholakia 2004), the majority of consumers will not have extensive experience with this medium. A young, student based sample will therefore garner respondents with more SMS advertising experience. In addition, this study aims to replicate the work of Merisavo et al (2007), who's sample consisted of primarily young people.

CONCLUSION

This review of literature introduced M-Commerce and marketing theories that have been applied to the concept. It then flowed into the nature of wireless advertising, finding that types of wireless advertising were categorized into pull and push, of which SMS advertising is the latter. This makes SMS advertising a direct, marketer driven form of communication. With the scope narrowed to SMS advertising, the review found that many companies had employed SMS in their marketing mix, led by the FMCG industry and with a focus on young consumers. This study then conducted a comprehensive review of SMS advertising literature. First, it was noted that

researchers were unable to agree on whether SMS is an effective advertising medium, due to the fact that success is highly dependent on the nature of the product and advertising message. Then, the concept of consumer acceptance of SMS advertising was discussed, and its relation to the body of literature on acceptance of advertising in general. An in-depth review of the drivers of this consumer acceptance then identified utility, context, irritation and permission as the key variables present in the literature.

Although these key variables were consistently present in the literature, a contradiction in findings has led to confusion over the value of each concept as a driver of consumer acceptance of SMS advertising. This review identified possible reasons for these inconsistencies, including the lack of in-depth research in the field, as well as cultural differences in research samples. Finally, this review found some overall gaps in the literature, including lack of research on Australian consumers, as well as a distinct bias towards young respondents. These research gaps provide a significant need and opportunity for further research into the area. This review of literature provides a solid basis on which this study can be built upon, with the next chapter detailing the proposed hypotheses, as well as theoretical underpinnings.

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