

# The Attitude of Mobile Users on Mobile Marketing: Case Study on Fast Food Restaurant at Bukit Bintang

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## Abstract

Mobile marketing is increasing popularity despite, it is not fully utilized in fast food restaurant. The objective of the study are, firstly to examine customer attitude toward mobile marketing, secondly to assess the perceptions that influence attitude towards mobile marketing, thirdly to identify significant relationship between attitude and mobile marketing promotional tools, and forth, to evaluate the effectiveness of mobile marketing as promotional tool. The study area is in Bukit Bintang, Kuala Lumpur conducted over sample of 384 respondents. Triangulation methodology of both qualitative and quantitative methods including survey questionnaire, field observation, telephone and face to face interview are used in this study. The finding shows there is favorable attitude towards mobile marketing in the customer population, gauging actual use of mobile marketing of fast food restaurant. The perceptions influencing the attitude are Perceived Usefulness (PU), Perceived Ease of Use (PEU) and Mobile Phone Self-Efficacy (MSE). The underlying motives influencing use of mobile marketing of fast food restaurant are Speed, Functionality, Customer Friendly and Hospitality. Ranges of promotional tools in mobile phone have significance relationship with attitude and effective to achieve marketing goal such as increase sales and market growth for fast food restaurant.

**Keywords:** Mobile Marketing, Fast Food Restaurant, Theory Reason Action.

## 1. Introduction

Mobile marketing gradually gains importance as new marketing channel amid intense businesses competition across industries including in the field of fast food restaurant. Due to the marketing ability of mobile phone such as through online, instant two ways interaction, cost effective, measureable, ubiquitous, user friendly, and accessibility to millions of passionate mobile user it is gaining attention over traditional marketing (1-4). Mobile marketing promotional tools evolved rapidly from old fashioned SMS and MMS marketing, growing wide variety such as device to device communications (i.e. infrared and Bluetooth), mobile websites, mobile application, gaming and any relevant manner would eases marketing between business to customer. Despite of mobile marketing growth, traditional marketing is being widely practiced. In fast food restaurant field, preliminary study on their fast food marketing found, fast food restaurant is still largely depended on traditional marketing tools such as handout, banner, print advertisement, in-store marketing and mass media in the wake of mobile marketing era. It is not being utilized to take advantage of mobile marketing (5). In the U.S, mobile marketing has proven profitable in term of cost

Effective at rate of USD1 could generate USD20 in sale per pack equivalent to USD10.46 million for USD216.9 million in 2013. In there, there are examples of mobile marketing utilized by fast food restaurant contributing profitably to their business such as Pizza Hut, Subway, and Papa Pizza Lin, (1, 3). This phenomenon is spreading globally including in Malaysia, a bright prospects (2).

## 1.1 Problem Statement

The main problem of mobile marketing is low acceptance by the mobile user. Mobile users perceive mobile marketing is not suitable for commercial purpose, charged with hidden fees, fraudulent scheme, disruptive message (SPAM), intervention of privacy, and disturbing which indicates mobile user has unfavorable attitude towards mobile marketing. As a result, mobile marketing campaign is usually ignored, received less attention, not responsive, and underused which cause loss to business and only few of mobile users engage in the business transaction. Therefore, research is needed to find reasons that explains mobile user attitude towards accepting or rejecting mobile marketing.

## 2. Literature Review

### 2.1 Mobile Marketing Theory

Mobile marketing study takes roots in usage behavior of a technology (6). Technology Acceptance Model (TAM), is a behavioral learning theory modeling influential relationship between user perception and attitude in determining actual use of any technology including mobile marketing (7). It developed from Theory Reasoned Action (TRA), specifically explain computer usage. TRA suggests relationship between user perception, subjective norm, attitude and intention to use subsequently determined actual use of a computer (8). Theory of Planned (TPB) suggests actual use of any technology is determined by behavioral intention which determined attitude, subjective norms and perceived behavioral control (8). In TAM, Perceived usefulness (PU) and Perceived

ease of use (PEU) replace how attitude measured in TRA. Intention to use is excluded because the main purpose of this study is to directly determine actual use of mobile marketing among mobile user who is currently using mobile marketing. Subjective norm is also excluded because it is not suitable to the study. Technology Acceptance Model 3 (TAM3) suggests individual general belief regarding computer use is the determinant of perceived ease of use (PU). Computer Self-Efficacy (CS) which termed as Mobile Phone Self-Efficacy (MSE) incorporated in this research. It refers to individual belief regarding his personal ability to use mobile phone technology suitable in explaining actual use of mobile marketing (9).

## 2.2 Concept of Fast Food Restaurant

Fast food restaurant is built around the concept of quick service and convenience, targeting customer while they are 'on-the-go' (10). In order to make quick service possible, dishes are cooked (usually deep fry, toast or grill), assembled, prepackaged and pre-heated in anticipation of upcoming order and could also prepared in a short time for sudden order. Pre-cooked are monitored the freshness through holding time and disposed if holding times become excessive insuring quality food for customer (11). Delicious Western menu is pronounced with fast food since it is originated in the United States while local dishes, appetizer, dessert and beverage are also served by al carte, combo or upgradeable to larger size (12). They are served in wrapper, paper clamshell, tray, carton, paper cup and plastic beg to be eaten "finger food" without cutlery (13). Ordering, paying and food are served shortly at counter before eating. Customer can choose to dine in the premise decorated with contemporary furnishing with air-conditioner, TV, Wi-Fi and toilet operated 24 hours, either take away, drive through, or home delivery (14).

## 2.3 Attitude towards Mobile Marketing

Attitudes towards mobile marketing are defined as "a learned disposition to respond favorably or unfavorably toward mobile marketing". In most of behavioral learning theory, attitudinal judgment is influenced by set of beliefs (14). The relationship between attitude and these varying sets of beliefs explains how mobile user actually uses mobile marketing. There are vast amount of research on attitude towards mobile marketing by using Technology Acceptance Models (TAM). Perceived usefulness (PU) and Perceived ease of use (PEU) are common independent variables studied by many researchers previously because of its reliability (15). Sudarsan Jayasingh, studied on consumer behavioral intention towards mobile coupon found perceived usefulness and perceived of use is significant predicting the behavioral intention of Malaysian's consumer (16). Mohammad Ismail and Razli Che Razak, studied on young consumers acceptance towards mobile marketing found weaker perceived usefulness and perceived of use significantly predicting acceptance towards mobile marketing among 18-25 years old Malaysian (17). Paul Gerhardt Schierz, studied on consumer acceptance towards mobile payment service found perceived usefulness and perceived of use is significant predicting acceptance towards mobile payment service among mobile application user in the U.K. culture (18). Study done by Bennet J.A., found people with high technology self-efficacy are more actively engaged in technology related activities such as making transaction and socializing online (19). Meanwhile study by Dahlan M., found that lower attitude toward technology usage is because of its correlation with low self-efficacy (20).

## 2.4 Conceptual Research Model

The conceptual model is based on Original Technology Acceptance Model (TAM), and it is modified interchangeably with Technology Acceptance Model (TAM 3) (21-22). There are three

categories of perceptions that affect customer attitude towards actual use of mobile marketing; they are Perceive Ease of Use (PEU), Perceive Usefulness (PU) and Mobile Phone Self Efficacy (MSE) (21). Perceived Usefulness (PU) is the extent a customer believed that using mobile marketing of fast food restaurant would enhance service for customer. Perceive Ease of Use (PEU) is the extent which by using the fast food mobile service, the mobile user would be free from physical and mental effort. Mobile Phone Self-Efficacy (MSE) is the extent of individual belief regarding his personal ability to use a mobile phone technology. Perceive Usefulness (PU) and Mobile Phone Self-Efficacy (MSE) are determinants of Perceive Ease of Use (PEU) (21). Hypotheses are developed in measuring the relationship between dependent variables and independent variables in the conceptual model as below;

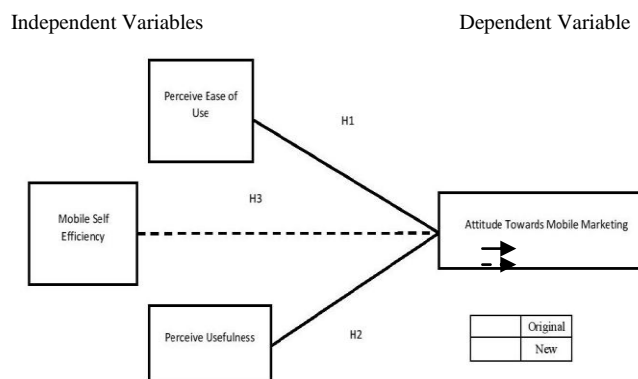


Figure 1: Conceptual Research Model

(Source : Original Technology Acceptance Model (TAM) by Davies)

**H1:** Perceive Ease of Use (PEU) has direct relationship on Attitude (ATT) towards mobile marketing.

**H2:** Perceive Usefulness (PU) has direct relationship on Attitude (ATT) towards mobile marketing.

**H3:** Mobile Phone Self-Efficacy (MSE) has direct relationship on Attitude (ATT) towards mobile marketing.

## 3. Research Methodology

This study uses case study with triangulation methodology. At each stage of research, qualitative and quantitative methodologies are applied, to derive primary data to address the research objectives. Telephone interview, face to face interview and field observation is qualitative method used to collect primary data. Quantitative method used is questionnaire survey. The secondary data is used to identify and refine the research problem, develop research question and objectives, and to fit in the research findings. There are 36,000 daily fast food customer visiting the fast food premises in Bukit Bintang parliamentary area chosen as the target population for sampling and the case study area. The sampling unit where respondent can be sought is at four selected fast food which are KFC, Mc Donlad, Marrybrown and 1901 Hotdogs in the Bukit Bintang area. Total of 384 respondents is sampled out by two stages probability sampling techniques, firstly cluster sampling and secondly stratified sampling. Customer is grouped into mutually exclusive and collectively exhaustive cluster. In the first stage of cluster sampling, on the basis of member of the zone, 117 of Zone A, 188 of Zone B and 77 of Zone C sampled out by proportionate to size sampling (PPS). In the second stage of stratified sampling, the pre-determined sample from first stage is further divided according to number of premises of fast food brand (stratum) in respective zone and sampled out by proportionate to size sampling (PPS). The final sample of respondent for survey is sampled out by simple random sampling (SRS). Respondent were approached by using mall intercept technique.

## 4. Results and Findings

### 4.1 Factors Influencing the Attitude towards Mobile Marketing of Fast Food Restaurant

According to Technology Acceptance Model (TAM), personal attitude is influenced by perceptions. The common perceptions used in predicting attitude are Perceived Usefulness (PU), and Perceived Ease of Use (PEU). These perceptions always found as the factors significantly predicts attitude in mobile marketing study by many writers previously. Similarly in this study, these perceptions are the factors influencing fast food restaurant's customer attitude towards mobile marketing in the field of fast food restaurant. It has more predictive power when combined with Mobile Phone Self Efficacy (MSE) the external variable in this study as shows in Table 1.0 below.

**Table 1.0** is Multiple Regressions Analysis of conceptual behavioral model being studied. Stepwise regression method conducted, to assess overall relationship between perceptions as the independent variables in influencing attitude towards mobile marketing as the dependent variable. As you can see in upper table, the first model is composed of common relationship between Perceive Ease of Use (PEU), Perceive Usefulness (PU) with Attitude (ATT). The common model is statistically significant, ( $F=167.040$ ,  $*p<0.05$ ) and based on R2 score, it indicates Perceive Ease of Use (PEU) and Perceive Usefulness (PU) explains for 68% variance in Attitude (ATT).

**Table 1:**

Model	Adjusted		Unstandardized B	Standardized Beta	t-test	Sig	F-test	Sig
	R <sup>2</sup>	R						
1 (Constant)	.684	.689	.203		1.517	.130	167.0	*p<0.05
Perceive Usefulness (PU)			.506	.406	8.434	.000*	40	
Perceive Ease of Use (PEU)			.376	.351	7.294	.000*		
2 (Constant)	.891	.895	.000	.353	-.001	.999	115.8	*p<0.05
Perceive Usefulness (PU)			.438	.193	6.884	.000*	95	
Perceive Ease of Use (PEU)			.307	.421	2.595	.000*		
Mobile Phone Self Efficacy (MSE)					8.778	.006*		

- Independent Variable: Perceive Usefulness (PU), Perceive Ease of Use (PEU) and Mobile Phone Self Efficacy (MSE)
- Dependent Variable/Constant: Attitude (ATT)
- Stepwise method type of regression is used.
- No Singularity and Multicollinearity as in Appendix G
- Data is normally distributed based on Normality Test as in Appendix H
- Significance level at  $*p<0.05$

These common perceptions are statistically significance with Attitude (ATT) which Perceive Usefulness (PU) ( $\beta=0.506$ ,  $t=8.434$ ,  $*p<0.05$ ) contribute most, followed by Perceive Ease of Use (PEU) ( $\beta=0.376$ ,  $t=7.294$ ,  $*p<0.05$ ) in predicting attitude. After extensive studies on perception drawn significant result, it strongly proves PEU and PU are reliable factors influencing attitude towards mobile marketing including in the new field of fast food restaurant.

The second model is consisted of Mobile Phone Self Efficacy (MSE), an external variable combined into first model. As we can see in low table, F-test value ( $F=115.895$ ,  $*p<0.05$ ) shows, combined model is statistically significant predicting attitude. Based on R2 score, the model which composed of Perceive Ease of Use (PEU), Perceive Usefulness (PU) and Mobile Phone Self Efficacy (MSE), explains for 89% variance in Attitude (ATT). All of them are statistically significance with Attitude (ATT) which Mobile Phone Self Efficacy (MSE) ( $\beta=0.599$ ,  $t=8.778$ ,  $*p<0.05$ ) contribute most, followed by Perceive Usefulness (PU) ( $\beta=0.438$ ,  $t=6.884$ ,  $*p<0.05$ ) and Perceive Ease of Use (PEU) ( $\beta=0.307$ ,  $t=2.595$ ,  $*p<0.05$ ) in predicting attitude. The combined model shows MSE enhances overall model predictive power. It confirms

all research hypotheses H1, H2, and H3, that there are direct relationship between Perceive Ease of Use, Perceive Usefulness, Mobile Phone Efficacy and Attitude as in the conceptual model. By these stronger set of perceptions instead, proving the research question and objective, we know the behavioral process begins with customer perceive, evaluate and develop favorable attitude, therefore inducing the response to use mobile marketing whenever they feel buying fast food.

### 4.2 Factor Analysis

Factor Analysis conducted to identify the number of factors to be retained in this study and to identify the underlying motives towards actual use of mobile marketing of fast food restaurant.. Oblique Rotation method used to shows each variable loadings for each factor. **Table 2.0** is Table of Rotated Component Matrix of the dependent and independent variables in this study.

As you can see in **Table 2.0**, there are underlying motives towards mobile marketing actual use of mobile marketing of fast food restaurant. According to the table, there are three items strongly correlated loaded in Factor 1. It consists of Mobile Marketing Instantly Connect With Customer (PU1), Using Mobile Marketing Eases Payment For Consumer (PU3), and I Think I can use mobile phone to assess mobile marketing of fast food restaurant (MSE3). Factor 1 can be grouped as element of Speed because of they are related to easiness, and instantaneous to access a service. In Factor 2 there are three items correlated loaded in, which are Problem or Helpful (ATT3), Using Mobile Marketing Delivers Promotion Any Time (PU2), and I Believe It Is Easy To Use Mobile Marketing for Fast Food Restaurant

**Table 2:**

Table 2.0: Factor Analysis

Item	Factor 1	Factor 2	Factor 3	Factor 4
Strain or Pleasure (ATT1)				0.765
Bothering or Convenience (ATT2)				0.563
Problem or Helpful (ATT3)		0.721		
Mobile Marketing Connect With Customer (PU1)	0.866			
Using Mobile Marketing Delivers Promotion Any Time (PU2)		0.556		
Using Mobile Marketing Eases Payment For Consumer (PU3)	0.823			
I Believe It Is Easy To Use Mobile Marketing For Fast Food Restaurant (PEU1)		0.454		
I Think It Is Easy To Order From Fast Food Restaurant by Mobile Marketing (PEU2)				0.543
Using Mobile Marketing Of Fast Food Restaurant Service Is Quick (PEU3)			0.532	
I Think I Can Use Mobile Phone For All Mobile Phone Activities (MSE1)			0.465	
I Think I Can Use Mobile Phone For Mobile Marketing (MSE2)			0.432	
I Think I Can Use Mobile Phone To Assess Mobile Marketing of Fast Food Restaurant (MSE3)	0.786			

- Extraction Method : Principle Component Analysis (with Pre-specified 4 Factors)
- Rotation Method : Oblique Rotation
- Kaiser Meyer Olkin (KMO) measure of Sampling adequacy is 0.9 (if closer to one 1.0 the factor analysis will be more appropriate)
- Criterion value is 0.4 and Output listed by size.
- No Singularity and Multicollinearity.

(PEU1). Factor 2 can be grouped as element of Customer Friendly because of they are related to helpful and easiness in delivery of a promotion. In Factor 3 there are three items correlated loaded in, which are Using Mobile Marketing of Fast Food Restaurant Service Is Quick (PEU3), I Think I can use mobile phone for all mobile phone activities (MSE1), and I Think I can use mobile phone for mobile marketing (MSE2). Factor 3 can be grouped as element of Functionality because of they are related to quickness in all mobile phone activities and mobile marketing. Lastly, there are also three items correlated highlighted loaded in Factor 4 which are Strain or Pleasure (ATT1), Bothering or Convenience (ATT2), and I Think It Is Easy To Order From Fast Food Restaurant By Mobile Marketing (PEU2). Factor 4 can be grouped as element of Hospitality because of they are related to convenience and pleasure making order from fast food restaurant.

## 5. Conclusion

In conclusion, the study of perception of mobile users' attitude towards mobile marketing of fast food restaurant, successfully found answer for the broad problem of mobile marketing which are, low acceptance among mobile users who reject, ignore, pay less attention towards mobile marketing and, market adoption of the novelty of fast food restaurant mobile marketing. Case study conducted in Bukit Bintang area over 41 of selected fast food restaurant premises which are KFC, Mc Donald, 1901 Hotdog and Marrybrown are visited by averagely 36000 customers daily, managed to seek what is the mobile user attitude, factors influencing their attitude, the relationship between attitude and promotional tool and the suitable answering second research question and objective. It often found in previous research papers, study explaining attitude towards mobile marketing emphasized on specific type of mobile marketing promotional tool (SMS, MMS, mobile advertisement etc.), impractical finding and outdated marketing approach, since integration of all types of accessible promotional tools on mobile phone is required to fit rapidly changing mobile user habit and usage pattern. This study addresses weakness in prior research, by examining applicability of range of mobile marketing promotional tools towards mass fast food restaurant customer. Chi Square Independent Test ( $\chi^2$ ) and Contingency Coefficient (C) is conducted to prove assumption of no association between attitude towards mobile marketing and promotional tools otherwise significant association generalizes, the promotional tools is influencing attitude towards mobile marketing. Degree of association ranging from +1.0 indicates strong, through -1.0 indicates weak association

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