



PRIVACY-RELATED ASPECTS OF THE MARKETING COMMUNICATION WITH THE CONSUMERS: AN EXPLORATORY ASSESSMENT

Associate Professor Dr. Calin Veghes
Academy of Economic Studies in Bucharest
Lecturer Dr. Mihai Orzan
Academy of Economic Studies in Bucharest
Assistant Professor Dr. Carmen Acatrinei
Academy of Economic Studies in Bucharest
Assistant Professor Diana Dugulan
Academy of Economic Studies in Bucharest

ABSTRACT

The performances of the marketing communication with consumers depend on the appropriate selection of “traditional” (press, radio, television, outdoor) and/or direct media (mail, telephony, mobile telephony, and the internet), capable to draw the attention of the consumer, generate his/her interest, stimulate the desire for, and determine the buying of the promoted products, services, and brands. In the process of selecting these media, several privacy-related aspects should also be taken into consideration. The paper explores some of these aspects – preferences for searching or receiving information, preferences for receiving marketing messages in terms of the media employed as sources of information, attitudes towards disclosing, capturing, processing and employment of the personal data, assessment of the aggressiveness of the media employed in the direct communication, and the attitudes toward buying products and/or services after being directly approached – and presents the results obtained at the level of a sample including Romanian consumers.

INTRODUCTION

When companies are set up, it is compulsory for them to know exactly what type of needs their products / services cover, and moreover to know their target audience, consumers. Knowing exactly to whom their products, services or brands address to, companies should find out what characteristics do their customers have, which are their needs and wants, concerns and expectations, so that they know how to communicate with each segment. It is very important for companies to communicate efficiently with their target and persuade the potential and existing customers that buying their products, services or brands is in their best interest. The more organizations know about their target, the more effective their marketing efforts will be. Therefore, organizations should focus on finding not only *who* are the persons or organizations that *buy* their products, who are the *consumers* of the products, services or brands that they sell, *what* products/ services they want, the reasons *why* they buy and *how* they use these products, but also *which communication channels* they prefer, so that companies know what marketing instruments are accepted and appreciated by the clients. For organizations, communicating efficiently with the consumers leads to being well-known by them and selling them more products, services or brands; consequently, the importance of approaching the individuals or organizations only by using those marketing instruments that they have priorly agreed on being approached. In order to develop marketing communication campaigns, companies use multiple communication instruments. The interactions between these instruments suggest that organizations should apply integrated marketing communications to benefit from the synergies (Prasad & Sethi, 2009; Schultz, 1993). Gurau (2008) defines integrated marketing communication and presents the evolution of the concept, highlighting the trends of reducing the budgets allocated to mass advertising campaigns and concentrating on segmented or personalized communication with final consumers (Durkin & Lawlor, 2001; Eagle & Kitchen, 2000). Van Raaij, Strazzieri and Woodside (2001) consider that the social and technological developments interact and make the traditional mass marketing approaches obsolete due to the new options and possibilities that the consumers have. The internet and the mobile communication technologies have created the need for a new approach to marketing communication (Winer, 2009; Gurau, 2008; Bodkin & Perry, 2004). When deciding what communication means to use, companies should consider not only the audiences indicators, such as: market share, rating, reach, cumulative ratings come, gross rating points (GRP), cost per thousand (CPM) or cost per point (CPP), but also the impact that these communications have on the consumer's private space, because some of them are more aggressive and some are better accepted.

Companies should be very careful when selecting the direct communication means they will use in order to approach the consumer, pay attention to those aspects related to the consumer's private space and respect his privacy. The *consumer's private space* includes an amount of information referring to the demographic, psychographic and behavioral characteristics of the individuals (frequently described in the literature as personal data), and the rights the consumer should have, on a hand, to disclose or not this information and, on the other hand, to have this information protected through the appropriate laws and means (Veghes, 2009; Veghes, et al., 2010). Analyzing the evolution of the definitions given to the personal data between 1998 and 2008, Grant (2009) has concluded that the content of the personal data, representing the central issue in the data protection, is still under debate. Still, there is a strong need for identification and definition of this data as consumers are more and more approached through direct marketing campaigns by the different organizations. Although most of the consumers have realized that participating in direct marketing is a necessary part of being in a consumer society, they are concerned about the unauthorized use or the misuse of their personal data and information, mainly in the forms of sale of their data without permission, unsolicited contact by businesses, the feeling that businesses know too much about their personal information, and the accuracy of data retained in databases (Pope & Lowen, 2009).

The results of a research, conducted on the Romanian market (Veghes et al., 2011), show that the definition of the consumer's private space may have at least three major implications: a better understanding, a more appropriate assessment and a more effective seizing of the value of personal information; a better legal environment regulating the capturing, processing, administration and employment of the personal data; and a more effective consumer's control over the personal information and, consequently, over his or her private space. Senicar, Jerman-Blazic and Klobucar (2003) propose several privacy-enhancing technologies for the internet users providing certain privacy to them.

METHODOLOGICAL NOTES

Several privacy-related aspects of the marketing communication with the consumers have been assessed through this exploratory research approach: (1) consumers' preferences for searching or receiving information about the different products, services, and brands, (2) consumers' preferences for receiving marketing messages in terms of the media employed as sources of information, (3) attitudes of the consumers towards disclosing, capturing, processing and employment of the personal data, (4) consumers' assessment of the aggressiveness of the media employed to communicate directly with them, and, (5) attitudes of the consumers toward buying products and/or services after being approached through the media employed to communicate directly with them.

Associated to these *objectives*, the research conducted has provided information based on which a set of *hypotheses* have been verified: H1. the majority of the consumers prefers both to search and receive information; H2. the internet is the most preferred medium employed



by the consumers as source of information; H3.1. the majority of the consumers does not agree to disclose their personal data to companies or public entities; H3.2. the majority of the consumers would like to express their consent before disclosing their personal data to companies or public entities; H3.3. the majority of the consumers does not agree to have their personal data collected when buying products and/or services; H3.4. the majority of the respondents does not agree to have their personal data processed after buying products and/or services; H3.5. the majority of the consumers does not agree to have their personal data employed in the promotion of the companies' products and services; H4. the majority of the consumers consider the approach by mail, telephone, mobile telephone, and the internet as aggressive; and H5. the majority of the consumers would not buy products and/or services after being approached by mail, telephone, mobile telephone, and the internet.

The data have been gathered at the level of sample including 153 respondents from Bucharest (the Capital city), aged 23 to 34, with a higher education, and holding a professional status of full-time employees, freelancers, entrepreneurs, managers, and students. The data have been collected in January 2012.

MAIN FINDINGS

Obtaining information (commercial, financial, technical, etc.) about the products, services, and brands that are to be bought is essential in the making of the consumer's buying decision. There are three ways the consumers may consider in order to obtain this information, and, consequently, three major types of related behavior: (1) an active behavior, specific to the consumers preferring rather to search for, (2) a passive behavior, specific to the consumers preferring rather to receive, and (3) a mixed behavior, specific to the consumers both searching, and, also, willing to receive the information.

The results of the research do not confirm the related hypothesis (H1): the majority of the respondents (52.0 %) prefer rather to search for the information regarding the products, services, and brands they intend to buy. Yet, an almost similar part of the respondents (44.7 %) prefers both to search this information and to receive it, most probably through the marketing communication campaigns employing direct communication media. Somewhat surprisingly, the weight of the respondents preferring rather to receive this information is very low (3.3. %), a result that is very close to the average response rates generated by the direct marketing campaigns conducted by the organizations.

Preference for rather searching for information of interest regarding the different products, services, and brands describes the consumer's behavior as an active, and, in the same time, as a defensive one: on a hand, the consumers get and process this information, and make buying decisions with a solid information background; on the other hand, this active behavior prevents and limits the attempts of the organizations that approach directly the consumers, providing them with the necessary information in the decision-making process. Apparently, the consumers tend to prefer to search for information not necessarily to be better informed, but to defend their private space. The success of the marketing communication with the consumers depends significantly on the appropriate selection of the media used as marketing channels: the "recipe" of an effective communication campaign includes an assortment of channels capable to draw the attention of the consumer, generate his/her interest, stimulate the desire for, and determine the buying of the promoted products, services, and brands. In order to enhance the communication effects, an integrated approach, combining "traditional" (press, radio, television, outdoor) and direct communication (mail, telephony, mobile telephony, and the Internet) channels, is employed.

Table 1. How do consumers prefer to receive marketing messages

Information sources	Count	% of responses	% of cases	Information sources	Count	% of responses	% of cases
Daily press	15	4.2	9.8	Mail	19	5.4	12.4
Periodical press	10	2.8	6.5	Telephone	6	1.7	3.9
Radio	14	4.0	9.2	Mobile phone	26	7.3	17.0
Television	41	11.6	26.8	Email	87	24.6	56.9
Outdoor	22	6.2	14.4	Internet	114	32.2	74.5

The results of the research confirm the related hypothesis (H2): the internet is the medium most preferred by the respondents (74.5 %) as a source of information, and, thus, as a marketing communication channel, while the television remains, although at significantly lower levels by comparison to the previous years, the "traditional" marketing communication channel most employed by the respondents (26.8 %) to obtain information about the different products, services, and brands.

Television holds a dominant position among the "traditional" media employed as marketing communication channels, followed, at a significant distance, by the outdoor. The daily and periodical press and the radio appear as rather peripheral media that can be employed to approach specific market segments or niche markets. Three out of four respondents seem to use the internet as a source of information, the preferences for other channels, such as mobile phone and the mail, being significantly lower, yet still higher than those for "traditional" channels other than television. The very low level of preferences for the telephony, seen in relationship with those for mobile telephony, suggest a higher openness of the respondents toward the mobile marketing instead to the classical telemarketing campaigns. Also, the high level of preferences for email, as an online marketing communication channel, provides promising perspectives for a potential rise of the weight of the consumers willing to receive information about products, services, and brands.

The rise of the internet in the recent years, that has determined both the consumers and organizations to migrate to the online environment – one supporting the searching for information, as well as its receiving, had apparently two important results: the decrease in the consumers' employment of the "traditional" media as sources of information, and the limitation, in terms of diversity, of the media considered by the consumers in their decision-making process – the respondents have indicated, as an average, two or three media, mainly by associating the internet and another "traditional" or direct communication medium.

Table 2. Attitudes of the respondents toward disclosing personal data to the companies and public entities (n=153; percentages)

Disclosing personal data to:	Agree	Rather agree	Rather not agree	Not agree	Don't know / Don't answer
Companies	15.7	23.5	33.3	24.8	2.6
Public entities	26.1	30.7	30.1	11.1	2.0

As the data in the Table 2 reveal, there is a significant difference in terms of the respondents' attitude toward disclosing their personal data to the companies, respectively the public institutions and/or authorities: the majority of the respondents (58.1 %) would rather not agree to make this data available to the companies, which confirms the related tested hypothesis, while the similar attitude in relationship with the public entities is quite opposite – the majority of the respondents (56.8 %) would rather agree to make their personal data available to them, which does not confirm the related hypothesis (H3.1). The consistency of these results is supported by the extremely



low weight of the respondents unable to express their attitude (less than 3 % in the total of the sample). The reliability of the measurement is confirmed by the value of the Cronbach's Alpha (0.814).

This difference between the companies and public entities in terms of the attitudes toward disclosing the personal data is related to the way consumers perceive the employment of this data: apparently, the consumers tend to believe that companies could employ their personal data in a more threatening manner for their private space and privacy, while their trust in the appropriate employment of this data by the public entities is significantly higher.

Table 3. Attitudes of the respondents toward expressing their consent before disclosing their personal data to the companies and public entities (n=153; percentages)

Consent given before disclosing personal data to:	Agree	Rather agree	Rather not agree	Not agree	Don't know / Don't answer
Companies	79.1	16.3	2.6	0.0	2.0
Public entities	72.5	18.3	5.9	2.0	1.3

As the data in the Table 3 reveal, the consent given by consumers before disclosing their personal data is highly important both in the case of the companies and public institutions and/or authorities: the majority of the respondents would rather prefer to have their agreement solicited before making this data available to the companies (95.4 %), respectively the public entities (90.8 %), which confirms the related hypothesis (H3.2). The consistency of these results is supported by the extremely low weight of the respondents unable to express their attitude (less than 2 % in the total of the sample). The reliability of the measurement is confirmed by the value of the Cronbach's Alpha (0.868).

The caution is the word describing the best the consumers' attitude in this respect: the companies and the public institutions/authorities should solicit the agreement of the consumer before collecting his or her personal data as a proof of the honest processing and employment of this data, without affecting the consumer's private space and privacy.

Table 4. Attitudes of the respondents towards capturing, processing, and employment of their personal data by the companies (n=153; percentages)

Companies should not ...	Agree	Rather agree	Rather not agree	Not agree	Don't know / Don't answer
... capture personal data	32.7	21.6	26.1	15.7	3.9
... process personal data	38.6	21.6	21.6	13.1	5.2
... employ personal data	54.9	16.3	13.1	11.1	4.6

As the data presented in the Table 4 reveal, the attitudes of the respondents toward the collection, processing, and employment of their personal data by the companies is a rather reserved one: thus, the majority of the respondents would rather not agree to have this data collected (54.3 %) and processed (60.2 %) after buying different products and/or services, respectively employed in marketing communication campaigns promoting products and services in the market (71.2 %), which confirm the related tested hypotheses (H3.3, H3.4, and H3.5). The consistency of these results is supported by the very low weight of the respondents unable to express their attitude (less than 5.2 % in the total of the sample). The reliability of the measurement is confirmed by the value of the Cronbach's Alpha (0.707).

The reserves of the consumers in terms of their personal data collection, processing, and later employment suggest that this data should be mainly employed in the database marketing activities, and less in direct marketing campaigns. The results also reveal the importance of educating consumers for a better understanding of the content of their personal data, the appropriate manner of collecting, processing and employment of this data, and the rights they are entitled as providers of personal data.

Table 5. Consumers' assessment of the aggressiveness of the different direct communication media employed by the companies to approach them (n=153; percentages)

Direct communication media	Aggressive	Rather aggressive	Rather not aggressive	Not aggressive	Don't know / Don't answer
Mail	5.2	13.7	31.4	45.8	3.9
Phone	51.0	35.3	5.9	4.6	3.3
Mobile phone	47.7	34.6	9.2	4.6	3.9
Internet	3.9	5.2	23.5	66.0	1.3

As the data presented in the Table 5 reveal, the majority of the respondents perceive the approach by telephone (86.3 %) and mobile phone (82.3 %) as being rather aggressive, which confirms the related tested hypotheses, while the internet and mail have been perceived as rather not aggressive, which has confirmed only partially the related hypothesis (H4). The consistency of these results is supported by the very low weight of the respondents unable to express their attitude (less than 4.0 % in the total of the sample). The reliability of the measurement is confirmed by the value of the Cronbach's Alpha (0.779).

A degree of aggressiveness for each of the considered marketing channels has been established through the transformation of the items of the measurement scale from a qualitative into a quantitative expression ("aggressive" – 4, "rather aggressive" – 3, "rather not aggressive" – 2, and "not aggressive" – 1), is 3.37 (fixed telephony). The average scores expressing the aggressiveness of the considered marketing channels are: 3.37 (telephony), 3.30 (mobile telephony), 1.77 (mail), and 1.46 (internet).

The consumers tend to perceive as more aggressive the approach conducted by marketing channels that involve a direct contact with them – both the telephony and mobile telephony allow the organizations willing to communicate to initiate and have a dialogue with consumers. The mail and the internet instead are perceived as less aggressive because they allow consumers to keep a distance that creates a certain level of comfort in their relationships with the organizations approaching them. The consumers receive the messages regarding the different products, services, and brands without having to participate in a dialogue with the senders: the communication loop closes when consumers demand additional information or make an order for the promoted products and/or services.



Table 6. Consumers' attitudes toward buying products/services after being directly approached by the companies through different direct communication media (in percentages; n=153)

Direct communication media	Yes	Rather yes	Rather no	No	Don't know / Don't answer
Mail	23.5	24.8	23.5	22.9	5.2
Phone	11.8	18.3	35.9	28.8	5.2
Mobile phone	11.8	21.6	32.7	27.5	6.5
Internet	34.0	32.7	19.6	9.8	3.9

As the data presented in the Table 6 reveal, the majority of the respondents have had a rather reserved attitude toward buying the products/services after being directly approached by telephone (64.7 %) and mobile phone (60.2 %), which confirms the related hypotheses, while the similar attitude in relationship with the other two marketing channels has appeared to be more friendly, the majority of respondents willing to buy after being directly approached through the internet (66.7 %) and mail (48.3 %). The consistency of these results is supported by the very low weight of the respondents unable to express their attitude (less than 6.5 % in the total of the sample). The reliability of the measurement is confirmed by the value of the Cronbach's Alpha (0.898).

A degree of willingness to buy has been established for each of the considered marketing channels through the transformation of the items of the measurement scale from a qualitative into a quantitative expression ("yes" – 4, "rather yes" – 3, "rather no" – 2, and "no" – 1). The average scores expressing the aggressiveness of the considered marketing channels are: 2.14 (telephony), 2.19 (mobile telephony), 2.52 (mail), and 2.95 (internet).

The consumers' willingness to buy products, services, and brands promoted through a direct approach employing mail, telephony, mobile telephony, and the internet as marketing channels tend to be higher when the approach is conducted in a less aggressive manner through the employment of communication channels with a lower degree of aggressiveness. From the perspectives of the consumers' private space and privacy, keeping a safe distance up to the organizations attempting to connect with them increases the possibility for the consumers to buy the different products, services, and brands.

The association between the degree of aggressiveness of the marketing communication channels and the willingness to buy products and/or services promoted through these channels has been assessed using the Pearson correlation coefficient whose value (– 0.9345) suggests a extremely strong and backward connection between these variables: higher is the perceived aggressiveness of a medium (or a marketing communication channel), lower is the willingness to buy anything promoted after being directly approached through that medium (or marketing communication channel).

CONCLUSIONS, LIMITS OF THE RESEARCH AND FURTHER RESEARCH DIRECTIONS

The research conducted has provided several conclusions regarding the impact of privacy-related aspects over the marketing communication with the consumers:

- the consumers' preferences for searching the information to be used in the decision-making process of buying different products, services, and brands describe the consumer's behavior as active and defensive: apparently, the consumers prefer to search not necessarily to be better informed, but to defend their private space by avoiding its direct approach by the organizations;
- the rise of the internet in the recent years has determined a decrease of employment of the "traditional" media (and marketing communication channels) as sources of information, and limited, the diversity of the media, respectively the marketing communication channels, considered by the consumers in their decision-making process, most frequently to the association between the internet and another "traditional" or direct medium;
- there is a significant difference in terms of the attitudes of the consumers toward disclosing their personal data to the companies, respectively the public entities, as the companies are believed to employ the personal data in a more threatening manner for their private space and privacy. Both the companies and the public institutions/authorities should solicit the consumer's agreement before collecting personal data as a proof of safeguarding his/her private space and privacy;
- the reserves of the consumers in terms of their personal data collection, processing, and later employment recommend the employment of this data mainly in the database marketing, and less in direct marketing campaigns. The education of the consumers for a better understanding of the content of their personal data, the appropriate manner of collecting, processing and employment of this data, and the rights they are entitled as providers of personal data is essential;
- the consumers tend to perceive more aggressive an approach conducted by media (marketing channels) that involve a direct contact (such as the telephone and the mobile telephone), and less aggressive the approach using media that allow them to keep a distance that creates a certain level of comfort in their relationships with the organizations (such as the mail and the internet);
- finally, the consumers' willingness to buy products, services, and brands promoted through mail, telephony, mobile telephony, and the internet tends to be higher when the approach is less aggressive i.e. employs less aggressive media. Higher the perceived aggressiveness of a medium is, lower is the willingness to buy anything promoted through that medium.

As an *overall conclusion*, an active and defensive consumer should be approached by the organizations and/or public entities using a combination of communication media including the internet and other less aggressive media, only with the previous consent of this consumer, in a trusted context of collecting, processing, and employment of the personal data, aiming to generate a certain result such as buying of a certain product, service or brand.

The main *limits of the research* derive from its exploratory nature and regard the size and the structure of the investigated sample, respectively the formulation of the research objectives and the related hypotheses. The *further directions* of research should take into consideration at least: (1) the improvement of the sample by covering other segments of consumers in terms of age (35 and more years old), residence (other urban cities), and education (average educated consumers), and (2) increasing the depth of the research approach by including, as research objectives, of the elements regarding the effects, on micro and macroeconomic levels, of the inappropriate employment of the consumers' personal data.

ACKNOWLEDGEMENT

The authors of this paper would like to thank the UEFISCDI (Executive Unit for Financing Higher Education, Research, Development, and Innovation) for the support provided in conducting this research and the dissemination of its results.

REFERENCES

- Bodkin, C. D., & Perry, M. (2004). Goods retailers and service providers: comparative analysis of web site marketing communications. *Journal of Retailing and Consumer Services*, 11, 19-29.



- Durkin, M., & Lawlor, M. A. (2001). The implications of the internet on the advertising agency-client relationship. *The Services Industries Journal*, 21(2), 175-190.
- Eagle, L., & Kitchen, P. J. (2000). IMC, brand communications, and corporate cultures. *European Journal of Marketing*, 34(5), 667-686.
- Grant, H. (2009). Data Protection 1998-2008. *Computer Law & Security Review*, 25(1), 44-50.
- Gurau, C. (2008). Integrated online marketing communication: implementation and management. *Journal of Communication Management*, 12(2), 169-184.
- Pope, J. A., & Lowen, A. M. (2009). Marketing implications of privacy concerns in the US and Canada. *Direct Marketing: An International Journal*, 3(4), 301-326.
- Prasad, A., & Sethi, S. P. (2009). Integrated marketing communications in markets with uncertainty and competition. *Automatica*, 45, 601-610.
- Schultz, D. E. (1993). Integrated marketing communications: Maybe definition is in the point of view. *Marketing News*, 27(2), 17.
- Senicar, V., Jerman-Blazic, B., & Klobucar, T. (2003). Privacy-Enhancing Technologies - approaches and development. *Computer Standards & Interfaces*, 25, 147-158.
- Van Raaij, W. F., Strazzeri, A., & Woodside, A. (2001). New developments in marketing communications and consumer behavior. *Journal of Business Research*, 53, 59-61.
- Veghes, C. (2009). The Consumer Private Space: What Is and How It Can Be Approached without Affecting the Consumer's Privacy. *Proceedings of the World Academy of Science, Engineering and Technology*, 54(3), 583-586.
- Veghes, C., Acatrinei, C., Dugulan, D., & Palade, M. (2011). A marketing view over the role of the public authorities in the protection of the consumers' private space. *Annals of the University of Oradea – Economic Studies TOME XX*, 2, 811-816.
- Veghes, C., Pantea C., Bălan D., Ruscescu, M. (2010). Attitudes of the consumers regarding the processing and employment of their personal data. *Annals of the University of Oradea – Economic Studies TOME XIX*, 1, 797-802.
- Winer, R. (2009). New Communications Approaches in Marketing: Issues and Research Directions. *Journal of Interactive Marketing*, 23(2), 108-117.