

MILESTONES FOR AN EFFECTIVE DIRECT COMMUNICATION WITH THE CONSUMERS: EMPIRICAL EVIDENCES FROM ROMANIA

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Abstract: The recent years have witnessed a significant shift from the mass communication to a direct, one-to-one, communication supported by the development of the information and communication technologies and the increasing expectations of the consumers. Organizations have taken into consideration the communication platforms provided by the internet and mobile communications and extended their efforts aiming to attract the consumers' attention and generating their interest in the products, services and/or events promoted in the market, to create the desire to buy these and, finally, to determine consumers to act in this respect. Based on an extensive processing of the personal data, the direct communication attempts of the organizations have encountered a significant barrier: the consumers' concern for their privacy and their defensive reactions. The paper aims to outline, from a marketing and business-oriented perspective, and based on the results of survey conducted on a sample of Romanian consumers, a possible answer to the question: "Is there an appropriate way of approaching the consumer's private space without compromising the effectiveness of the direct communication"

Keywords: direct communication, privacy, consumer private space, personalization, Romania

Introduction

Direct marketing activities implemented as campaigns conducted independently, integrated with traditional marketing communication or as distinctive applications within the distribution and/or communication efforts of the organizations, have been the main beneficiary of massive shifting from the mass to individual, one-to-one communication.

Direct communication describes in this context a particular way of thinking standing behind the design and implementation of the direct marketing campaigns and supporting the direct approach of the consumer characterized by: (1) directness – absence of any intermediaries in the relationship between communicating parties (organization and consumer), (2) distance – a physical separation of the parties involved in the communication process, (3) interactivity – a two-way communication including the exchange of information between the communicating parties, (4) personalization – identification of the communicating parties and employment of the consumer's demographics, psychographics, identity and relational data in an one-to-one communication process and (5) responsiveness – running the direct approach efforts aiming to stimulate a direct and immediate response from the part of consumers (Vegheș, 2003).

One of the most important requirements in planning and conducting direct marketing campaigns refers to the appropriate collection, processing and employment of the consumers' personal data and the consideration of the privacy aspects of their direct approach. Privacy has been a research topic that has generated a significant interest due to its multiple dimensions – economic, social, cultural, technological, and political. The numerous definitions given have tried to explain the content of privacy from at least the following angles: the right to be let alone, limited access to the self, secrecy, control of personal information, personhood and intimacy (Solove, 2002). These definitions suggest the existence of a consumer's private space including 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 (Vegheş, 2009).

Approach of the consumer's private space involves the collection of personal data referring to his or her characteristics, buying and consumption behavior, of whose processing will allow the employment of derived information in the planning and conducting of direct marketing campaigns targeting the consumer in a personalized manner, i.e. supplying solutions oriented towards the consumer needs as Peppers and Rogers defined the personalization (1993) suggested. Success of the direct approach based on personalization, which is supposed to create value for consumers (Postma and Brokke, 2002), depends on the way consumer tends to perceive the personalization (Goldsmith and Freiden, 2004), the benefits is going to produce and the risks to which consumer can be exposed (O'Leary, Rao and Perry, 2004).

In an environment characterized through an increasing importance of the direct, one-to-one communication supported by the development of the information and communication technologies, the design and implementation of an effective direct marketing campaign should take into consideration the most appropriate ways of approaching the consumer's private space without compromising its results.

Methodological notes

The assessment of the reference elements of the effective direct communication have been made using the data obtained through a survey conducted in April-May 2013. The sample of this research has included 241 Romanian consumers, aged 22 to 64, predominantly from Bucharest and other cities, having a higher education and holding a professional status of full-time employees. The investigated consumers have provided answers concerning their exposure, experiences, current and future behavior in connection with the direct marketing efforts of the organizations, respectively about their attitude and behavior in terms of the protection of their personal data.

The research objectives were referring to the assessment of the:

- O1. Consumers' preferences to search for / receive commercial information;
- O2. Relationships between the traditional and direct communication media as channels preferred for getting commercial information;
- O3. Importance of personalization for the investigated consumers;
- O4. Content and structure of the consumer's private space;
- O5. Perceived aggressiveness of the direct communication media;
- O6. Openness of consumers to buy products and services after being directly approached.

The corresponding research hypotheses stated that:

- H1. The consumers prefer both to search for and to receive commercial information;
- H2. There is a relative balance between the traditional and direct communication media as channels preferred for getting commercial information;
- H3. Consumers consider personalization as an important feature of the commercial communication;
- H4. The consumer's private space includes a varied and differentiated content;
- H5. Direct communication media generate a different perception in terms of aggressiveness; and
- H6. The consumers have significant reserves to buy after being directly approached by the organizations.

Main findings

O1. Assessment of the consumers' preferences to search for / receive commercial information

H1. The consumers prefer both to search for and to receive commercial information

The majority of the investigated consumers (57.1 %) prefer both to search for, respectively to receive commercial information about the products, services and/or brands provided by the different organizations present in the market, around one-of third (34.6 %) prefer to search for, while the rest of them prefer to receive this information. This rather proactive attitude supports the idea of a more involved consumer that prepares the upcoming buying decision through an in-depth research of the available alternatives existing in the market. The derived behavior of both searching for and accepting to receive commercial information facilitates the design and implementation of direct marketing campaigns conducted using communication channels less aggressive, that sustain the delivery of technical, financial, commercial and marketing information rather to assist the consumer in the buying decision-making process than to convince him or her to buy the promoted product, services and or brand.

O2. Assessment of the relationship between the traditional and direct communication media as channels preferred for getting commercial information

H2. There is a relative balance between the traditional and direct communication media as channels preferred for getting commercial information

The Internet is the most preferred (55.0 %) medium of the investigated consumers to get commercial information referring to the different products, services and brands, followed at a significant distance, by the electronic mail (31.3 %) and television (28.8 %). Other relevant communication channels for getting commercial information are the mail (21.7 %) and the outdoor advertising, while mobile telephony (12.9 %), radio (12.1 %), daily press (8.3 %), telephone (7.5 %) and periodical press (5.0 %) are rather peripheral channels.

These results suggests that the competition between the traditional and direct communication channels is fully underway although the Internet and the electronic mail hold the most important positions in terms of the consumers' preferences as communication channels employed to get commercial information. If the marketing communication campaigns are hardly imaginable without Internet and e-mailing campaigns, their design and implementation should take in consideration, to the same extent, the channels of the mass communication, such as the television and outdoor advertising.

If the fall of the daily and periodical press, respectively of the radio, is not surprising – in the overall context of a decreasing interest of consumers in obtaining general information from these sources and of the significant shift toward the Internet, the peripheral position of the mobile telephony is hardly explainable. The decreased ability of the organizations to employ effectively mobile marketing tools (SMS, MMS, Bluetooth marketing), as well as the consumer reluctance to receive commercial messages via their own mobile phones impose severe restrictions in the usage of the medium with, probably, the highest communication potential.

O3. Assessment of the personalization's importance for consumers

H3. Consumers consider personalization as an important feature of the communication

The majority of the investigated consumers (52.5 %) consider personalization as “very important” or “important”, almost one-third (32.9 %) perceive it as “of average importance”, while only one-sixth of them (14.6 %) are seeing it as “less important” or “of very low importance”. These results support the organizations' efforts to deliver commercial information regarding their products, services and/or brands in a personalized manner and provide a favorable background in terms of their expected effectiveness. A possible

discussion could have as topic the object of personalization: which are the consumer's characteristics – demographic, psychographic and behavioral to be considered in this attempt?

O4. Assessment of the content of the consumer's private space

H4. The consumer's private space includes a varied and differentiated content

The assessment of the consumer's private space content has considered a set of 27 variables grouped in four categories – demographics, psychographics, identity, and relational, each including specific data as it follows (a) demographics – gender, age, profession, occupation, level of education, income and personal and family wealth; (b) psychographics – political preferences, religious options, sexual orientations, visited websites, household access to different goods, household access to different services, personal hobbies and interests; (c) identity – first and last name, place of work, content of the e-mail correspondence, personal Id number, Id serial number, health status, legal status and biometrics data; and (d) relational: mailing address, phone number, mobile phone number, e-mail address and personal web address of the respondents.

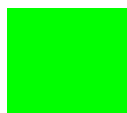
Based on the provided responses regarding the personal data consumers would prefer to have protected, a structure of the consumer's private space has been designed according to the frequencies associated to each variable: (a) personal data (mentioned by 75 % or more of the investigated consumers); (b) rather personal data (mentioned by 50 up to 75 % of the investigated consumers); (c) rather not personal data (mentioned by 25 up to 50 % of the investigated consumers); and, finally, (d) not personal data (mentioned by less than 25 % of the investigated consumers) – see Table 1.

Table 1: Consumer preferences in terms of their personal data protection (n=241, valid percentages)

Demo graphics	%	Psycho graphics	%	Identity	%	Relational	%
Gender	6.2	Political preferences	29.5	First and last name	54.4	Mailing address	57.7
Age	16.6	Religious options	24.1	Place of work	47.7	Phone number	60.2
Profession	32.4	Sexual orientations	22.8	Personal Id number	93.4	Cell phone number	78.4
Occupation	29.5	Visited websites	31.5	ID serial number	87.1	E-mail address	49.8
Education	13.7	Home access to goods	36.5	Electronic correspondence	46.9	Personal web address	21.2
Income	72.6	Home access to services	25.7	Health status	33.2		
Personal/ Family wealth	72.2	Hobbies & interests	10.0	Legal status	44.4		
				Biometrics data	58.5		

Notes:

Personal
data



Rather
personal
data



Rather not
personal
data



Not
personal
data



The first and a very important conclusion states that consumer's personal data should be considered in a differentiated manner as the differences in terms of the frequencies associated to the demographic, psychographic, identity and relational data clearly suggest. The collection, processing and employment of the demographic and psychographic data tend to generate fewer worries among the consumers, which sense a lower need for having these data protected, by comparison to the identity and relational data, which would require a better protection. Also, the research revealed that, inside each category, there are significant differences between the specific variables describing the consumer's demographics, psychographics, identity and relational characteristics.

These results may serve as basis for a future discussion and possible and, none-the-less, necessary revision of the personal data definition, which, according to the Law on the protection of individuals with regard to the processing of personal data and the free movement of such data (2001), are "any information referring to an identified or identifiable person... particularly with reference to an identification number or to one or more specific factors of his physical, physiological, psychological, economic, cultural or social identity".

In this context, the content and corresponding structure of the consumer's private space include: (a) personal data – personal Id number, Id serial number and cell phone number, (b) rather personal data – personal income, personal and family wealth, phone number, biometric data, mailing address, first and last name, (c) rather not personal data – e-mail address, place of work, content of electronic correspondence, personal legal status, home access to different goods, personal health status, profession, visited websites, occupation, political preferences and home access to different services; and, finally, (d) not personal data – religious options, sexual orientation, address of the personal website, age, education, personal hobbies and interests, and gender.

O5. Assessment of the aggressiveness of the direct communication media

H5. Direct communication media generate a different perception in terms of their aggressiveness

The employment of the direct communication media by the organizations aiming to promote their products, services and/or brands appears to generate a certain discomfort among the targeted consumers that perceive this kind of approach as a more or less aggressive attempt in relationship to their private space (see Table 2).

Table 2. The degree of perceived aggressiveness of the direct communication media (n = 241, valid percentages)

Media	Aggressive	Rather aggressive	Rather not aggressive	Not aggressive	Don't know
Mail	5.5	9.7	21.4	62.2	1.3
Telephone	29.4	36.6	16.0	16.4	1.7
Mobile telephony	36.1	35.7	11.3	15.5	1.3
Telematics	2.1	13.2	30.6	40.0	14.0
Internet	6.3	5.9	23.9	59.7	4.2

The aggressiveness associated to the direct communication approach differs significantly from a medium to another. Only a sixth of the investigated consumers perceive telematics (15.3 %) and mail (15.2 %) as being "aggressive" or "rather aggressive", while around of two-thirds of them perceive mobile telephony (71.8 %) and telephone (66.0 %) in the same way. Under these circumstances, the direct communication campaigns should take into consideration the employment of the tools that do not intrude the consumers' private space in an aggressive manner and do not harm their feelings of trust and security in connection to the organizations that promote and sell directly different products, services and/or brands. Audiotext and videotext applications, respectively direct mail and mail order

campaigns appear to facilitate better results than outbound (or even inbound) telemarketing, respectively mobile marketing for the direct communication attempts of the organizations.

O6. Assessment of the openness to buy as a result of the direct approach

H6. The consumers have significant reserves to buy after being directly approached

The aggressiveness consumers associate to the employment of the direct communication media determine a rather defensive attitude toward buying the products, services and/or brands promoted by the different organizations (see Table 3).

Table 3. The degree of openness to buy as a result of an approach through direct communication media (n = 241, valid percentages)

Media	Buy	Rather buy	Rather not buy	Not buy	Don't know
Mail	27.0	26.1	25.7	15.8	5.4
Telephone	16.3	23.8	30.4	22.5	7.1
Mobile telephony	19.6	22.9	32.1	18.3	7.1
Internet	23.8	34.7	27.6	11.3	2.5

The reserves consumers have regarding buying after being directly approached are significantly higher in the case communication media that involve a direct contact with the organizations' representatives: only 40.1 %, respectively 42.5 % of the investigated consumers would "buy" or "rather buy" a product, service or brand after being approached by telephone or mobile phone, while 53.1 %, respectively 58.5 % of them will do the same after being approached by mail or internet. A moderate pressure from the part of organizations under the forms of displaying and providing on-demand relevant commercial information could be a solution for a more effective direct communication to the consumers.

Main conclusions

The results presented above allow the formulation of an answer, from a marketing and business-oriented perspective, to the question: "Is there an appropriate way of approaching the consumer's private space without compromising the effectiveness of the direct communication?" Yes, there is and the main features of this appropriateness can be summarized as it follows:

- (1) The direct communication campaigns should capitalize the consumers' mixed preference for both searching for and receiving commercial information by accompanying the marketing communication efforts implemented using traditional media, with a particular aim to generate sales leads, or by running distinctively as reactive efforts to the specific demands of the consumers, having as objectives to close a sale or to provide more information to the interested consumers;
- (2) The relative balance between the traditional and direct communication media as channels preferred for getting commercial information recommends the integration of the specific tools within the future direct marketing campaigns. If the employment of internet to display and deliver commercial information cannot miss from the media plan of a campaign, also, the consideration of television and outdoor advertising could be relevant, particularly for the campaigns aiming, as main objective, to generate leads;
- (3) Personalization appears to be an important feature of the communication with consumers, which demands organizations to obtain relevant information regarding the characteristics of their target audiences and to use it in designing the messages and offers of the future direct marketing campaigns. It would be important to avoid limitation of the personalization to the first and last name of the consumer: analysis of

the consumers' database should indicate which of the demographic, psychographic and behavioral to be considered;

- (4) Collection, processing and employment of the consumers' personal data should take into consideration the legal provisions according to which anything that can be associated to an individual is personal, may have a private character and makes the object of the privacy laws. Also, the varied content and structure of the consumer's private space add under discussion the consumer's sensitiveness to the employment of his or her personal, particularly relational and identity, data;
- (5) The capacity of the direct communication media to generate a different perception in terms of the perceived aggressiveness demands a careful selection of the communication tools in order to minimize the consumer's unwanted feelings of having his or her private space approached in an aggressive manner. Media and tools providing a safety distance between organization and consumer – mail (with direct mail and mail order) and internet (with online advertising, direct e-mail, websites) – are preferable to the telephone or mobile telephone, which involve a direct, sometimes aggressive – when the sales are pushed too much toward the consumer, contact of the organizations' representatives;
- (6) The consumers tend to have significant reserves in buying different products, services and brands after being directly approached by the organizations. If an important part of these reserves is the result of the perceived aggressiveness of the communication media and tools employed, another part may be determined by the excessive rush of closing sales. Usage of the less aggressive communication media and tools and focus on delivering insightful commercial information for the decision-making process could lead to higher consumers' openness to buy products, services and/or brands.

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