

WAP as Marketing Strategy in Malaysia - An Assessment

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INTRODUCTION

In the new global economy there is a stiff competition among the organizations in attracting the customers. The sales cycle and decisions time are becoming shorter than ever. Further, the availability of huge volume of information source and the technology evaluation is continual, this increases the customer's expectations at a faster rate. In order to attract and satisfy the customer needs and to defend themselves against these challenges the organizations have to respond quickly. In short, retaining the people with critical knowledge is a perpetual threat to the organizations. The growth and success of the internet has created a new interest and new horizons in the information technology development and marketing strategy. Many millions of internet users are expected to generate huge volume of business. e-business is considered as a means to an end in accomplishing these goals. e-business is a vast global medium that transforms and optimizes key business processes by blending traditional informational technology with internet technologies. Then the organizations wants to maximize the potential of e-business creates various new routes to buyers and vendors, there-by increasing revenue and lowering costs.

As a fixed line technology the internet has proved to be highly successful in the reaching the homes of millions worldwide. The growth of the mobile communication in the form wireless communication also added a new dimension in the growth of the information technology. The mobile users of the present day are started demanding value added services over and above the voice communication. The development and growth of these technologies enabled the industries to move from fixed internet line to a mobile environment. On this new direction, to capture the benefits of mobile communication growth, a new marketing paradigm was developed in the field of e-business, that is m-commerce, (mobile commerce). Michele MacKenzie rightly pointed this out in his white paper on market strategies in the following lines " The internet is big. The

mobile market is also big and still growing at a phenomenal rate so the wirelss inernet market will be huge and it has got good potential in near future." Thus, there is a shift from e-business to m-commerce in the near future and it has got good potential. The present paper attempts to discuss the scope of WAP as a marketing strategy among the recently introduced wirelss consumers of Malaysia.

THE WAP - GROWTH AND DEVELOPMENT

Mobile consumers are becoming more information savvy persons. They expected to receive increased functionality and value added services from their mobile devices. The consumers' perception on this mobile instrument is increasing and they want to change the functionality of their mobile instrument. This gives rise to the new and developing market opportunities. The Wireless Application Protocol (WAP) opens the door to this untapped market which is expected to reach 100 million consumers by the end of the year 2000. The WAP (Wireless Application Protocol) strategy involves transforming the current fixed line internet environment into a wireless environment in a more user friendly and purposeful manner. Realtime applications and services such as stock price, news, weather and travel information demands small but a vital piece of information for quick decision, WAP will provide such an important information to the mobile users without delay.

WAP technology is rapidly making its way into corporations of all sizes and it may soon enter into the people's daily lives as well. WAP technology will enable to provide both consumers and enterprises with a total wireless solution that will bring the internet and its content to their finger tips. The mobile subscribers can access the same wealth of information from a pocket-sized device as they can from their desktop. WAP enables the operator to provide advanced applications including microbrowser-scripting facilities, e-mail, WWW to mobile handsets and mobile to tele-fax access.

The WAP is the de-facto world standard for the presentation and delivery of wireless information and telephony services on mobile phones and other wireless terminals. The WAP model is similar to World Wide Web model. But the standard HTML content cannot be effectively be displayed on the small size screens of pocket sized mobile phones, hence, the WAP utilizes the WML (wireless Markup Language) to produce the WAP content. All applications will be written in wireless markup language, which is subset of Extensible Markup Language (XML) using the same model as the internet. Empowering the users with the ability to access wealth of information and services from a mobile device. This has created a new battleground. The industry players will fight to provide customers with sophisticated, value added services.

As mobile communication becomes more secure and trusted channel by which consumers may conduct their financial affairs, the market for WAP will become even more lucrative. The WAP is changing the way of information access and above all there is a shift from e-commerce to m-commerce scenario.

WAP THE EMERGING TECHNOLOGY

WAP is one of the first enabling technologies on the market to provide simple access to Web based information on a small screen of mobile handset. Such handsets contain micro browsers. In America and Europe the popularity of WAP has shot up astronomically. WAP is a global standard and is not controlled by any single company. Initially, the Ericsson, Nokia, Motorola, and Unwired Planet founded the WAP forum in the summer 1997. The primary goal of the WAP forum is to bring together companies from all segments of the wireless industry value chain to ensure product inter operability and growth of wireless market. At present the WAP forum members represent over 90 per cent of the global handset market carriers with more than 100 million subscribers, leading infrastructure providers, software developers and other organizations providing solutions to the wireless industry.

WAP forum expects that there will be 1.5 billion mobile subscribers by the end of the year 2006. Of which 684 million are expected to use

microbrowser enabled services. In another study conducted by Forrester research group, it was predicted that the mobile market could account for 3 per cent of European retail revenues, that works out to 5.2 billion Euro Dollars. Similarly, in June 2000 a survey by Matrix found that, out of the top listed 100 Europe's web sites, 50 were already wired for WAP and 21 planned to launch within the six months that followed. These studies confirm the scope of WAP as a better marketing potential. In another study conducted among the consumers of Japan market, two further predictions were made. They are, wireless m-commerce will become reality, along with entertainment and gaming. Secondly, the most potential is likely to be with the cash-rich, technology-friendly youth consumer segment.

IMPACT OF TECHNOLOGY ON MARKETING STRATEGY

In order to track new developments by consumers, competitors and others in the market place the research should focus on new trends such as technology developments in addition to attitudes, patterns of behaviour, economical and social aspects. Technological developments such as Internet, WAP facilities provides a new type of services resulting in drastic changes to consumer's daily life. Service companies in various sectors starting from entertainment to Banking and from tourism to auditing have reviewed their marketing strategy during recent years. It is obvious that in many industries the delivery of services done electronically. Wherever possible the marketing related services should be translated into strategic policies and definite ideas on new services.

In the past the strong emphasis on "front office" activities and the perceived closeness to the customers, because of the revolutionized changed in the information technology now offers the opportunity to separate front office and back office activities leading to increasing the number of customers drawing from many countries. Much information becomes easily available to many customers. The customer based communication system is no longer a one way communication, but an interactive. In that way, it is an important tool in relationship marketing. Thus, marketing communication via internet or WAP is more customer driven than company

driven. Through, existence of World Wide Web the existence of middlemen is distribution channel is becoming obsolete.

In short, the consumer behaviour context of Internet, or WAP, the consumers must be motivated, and they are willing and capable of using these new technological development for their information gathering and buying decisions. In this direction the present paper analyses the role of WAP in the information search which is helpful for the marketing strategy of any company in the current scenario.

WAP IN MALAYSIAN SCENARIO

The dominant players of Malaysian mobile service providers are also quickly catching on. Malaysia is a geographically wide spread country with a population of 23.3 million. Vision 2020 of Malaysia outlines the major policies in different areas, of which telecommunication is one. The Major objective of vision 2020 is to establish Malaysia as an international telecommunication hub in the region. Another objective is to increase the national wide penetration of mobile communication to 40 per cent by the year 2005 and further increased to 50 per cent by the year 2020. In Malaysia the history of WAP services started in the beginning of the year 2000. Maxis Mobile was the first service provider to roll out the WAP services to their subscribers on a trial basis in the beginning of the year 2000 then the formal launch of this service was started in May 2000 followed by Celcom and Time. Maxis is expecting 50,000 WAP service subscribers by the end of the current year. While another service provider Celcom expects 51 per cent of their 850,000 customers were expected to be data users through WAP. These two mobile operators acknowledge that they will provide right content through local and international content providers. Their expectations were around the financial report, sports and games results, entertainment, leisure and so on.

DATA COLLECTION AND METHODOLOGY

The present study was an exploratory in nature. Since the research problem calls for the collection of factual data on consumer percep-

tions, it was decided to get the required information through a questionnaire. The questionnaire was designed to be self-administered. Questionnaire concentrates on three components namely personal information, Mobile usage information and Consumer opinion on WAP. The consumer opinions on WAP were collected using LIKERT five-point scale.

The survey covers the WAP enabled mobile users drawn from Klang Valley of Malaysia. The sample size was fixed at 200 to ensure a minimum response of at least 150. The respondents were selected using two stage stratified random sampling technique. Area blocks were used for the selection of sample at the first stage. The second stage of stratification was done by giving due weightage to diverse personal variable groups. Of the 200 questionnaires were mailed but the only 146 completed questionnaires could be collected from the responded of which as many as 10 questionnaires contained incomplete information and had to be discarded. The internal consistency check was carried out for almost all the complete responses. The effective sample of 136 was taken for the final analysis. A detailed socio demographic profile of the respondents is given in Table 1.

Table 1: Demographic profile of the respondents

	<i>Frequency (N=136)</i>	<i>Percentage</i>
<i>Gender</i>		
Male	94 (42)	69.1 (76.4)
Female	42 (13)	30.9 (23.6)
<i>Age group</i>		
<30	107 (45)	78.7 (81.8)
31-40	18 (6)	13.2 (10.9)
41-50	6 (3)	4.4 (5.5)
>50	5 (1)	3.3 (8.8)
<i>Marital Status</i>		
Married	112 (45)	82.4 (81.8)
Single	24 (10)	17.6 (18.2)
<i>Occupation</i>		
Professional	74 (30)	54.4 (54.5)
Others	12 (6)	8.8 (10.9)
Student	50 (19)	36.8 (34.5)

Figures given in brackets represents WAP users.

ANALYSIS AND DISCUSSION

The present study evaluates the consumers' perception on WAP technology. The analysis of the present study is given in three sections. All the products do not have equal potential for

consumer acceptance and also there is no precise formula by which marketers can evaluate the product acceptance. The first issue in this study connection was identify the important product and as service attributes that are essential in influencing usage and purchase decision of the consumers. The first stage of analysis was carried out to determine the consumers' preferences / expectations on WAP which was prevailing among the selected sample consumers, and also to find out the interrelations among the various consumer preference variables. Carl. H. Marcussen, of Bornholm Research Centre in Denmark, identifies the following ten elements as the key elements for the success of Mobile internet commerce. That include: Ease of use, Portals and search engines, Content with graphic and interativity, Packet switching technology and bandwidth, payment security and legal framework, WAP and Web enabled handsets, non intrusive personalization, timeliness, low cost of use and location are the ten important elements which are necessary for the success of mobile commerce. Based on the above the eleven important WAP attributes contributing to consumer satisfaction / dissatisfaction have been identified. The attributes (i) Usefulness of information, (ii) Anytime anywhere information (iii) Ease of use (iv) Resourceful (v) Fun. (vi) Saving in time (vii) Cost reasonable (viii) Multiple Language problem (ix) Stable connection (x) security and (xi) Use of Graphics and interactive. These attributes were furnished in the form of questions, requesting the consumers to give their expectations regarding the

importance of each attribute. The responses collected were tabulated in the form Weighted Average form and given in Table 2.

The results derived were summarised in the following manner. Mostly the student category feel that the WAP is found to be Resourceful, Saves time and Easy to Use in addition All the respondents found that the connection is stable. All the categories of respondents feel that absence of Graphics and interactivity is a negative factor for the promotion of WAP. The next concern is that most of the respondents feel that the Anywhere and Anytime information is not that much advantageous for them. Mostly the Male respondents have the favourable attitudes over the WAP when compared with Female category. Similarly the student category have favourable responses over the other category of the sample. To sum up, that Malaysian mobile consumers are also quite in confirmity with the western counterparts in their preferences as regards WAP. Most of the consumers are interested in the quick and timely information, these include financial, stock price and sports and games. The product information search is very minimal. It is evident from the study that they seek more value added services from the WAP service providers and they are not satisfied with the quality of services provided also. The timely and accurate information are the most wanted from the WAP. Hence, the service providers should update the financial and sports information to improve the adoptability of the WAP.

The second stage of analysis is carried out find out whether there is any significant difference

Table 2: Consumers' perception on wap attributes (weighted average score)

	<i>Male</i>	<i>Female</i>	<i>Professional</i>	<i>Students</i>	<i>Others</i>
Information Useful	2.67	2.38	2.77	2.00	2.03
Anytime anywhere information	2.36	2.38	2.60	2.00	2.11
Easy to use	2.55	2.15	2.23	2.67	2.74
Resourceful	2.74	2.46	2.47	3.33	2.68
Fun	2.60	2.38	2.40	2.67	2.63
Saves time	2.69	2.00	2.50	4.00	2.53
Cost reasonable	3.31	2.54	3.07	2.67	2.95
Multiple language	2.36	2.15	2.33	3.67	2.16
Stable connection	3.38	3.15	3.33	3.00	3.21
Security	3.02	2.38	2.90	3.67	2.58
Graphics and interactive	1.93	2.00	1.90	2.67	1.79
Chi-square value	t-value 4.015		F value 2.339		
Significance level	0.02		0.114		

between men and women with regard to information search and type of information. The results presented in the table 2 indicate that the majority of the Male consumers prefer Travel information and Banking & financial information are important for the usage of WAP. Whereas for the female category the frequency distribution is evenly poised with all the type of information sources. So Female category there is no specific usage of WAP when compared with the Male category. The t-test results between male and female category confirms that there is a significant difference in their WAP perceptions. Similarly professionals place more importance on the Banking and financial and News as most priority areas for the use of WAP when compared with other usage. Students' category also does not show any priority over the type of information the distribution is widely dispersed with respect to the type of information. In an attempt to know the influence of type of information on the WAP usage ANOVA analyses were carried out. The ANOVA results confirm that there is no influence of type of information on the usage of WAP among various categories of people.

BARRIERS TO THE WAP TECHNOLOGY

There are many barriers or obstacles that hinder the growth of WAP. The following are some of the obstacles which definitely to be considered for the growth of WAP. The basic problem is technology development. Clearly there is a demand for the WAP but the potential users of WAP prefers to wait until the technology starts to reach to their expectations. In the studies conducted in many countries cites that the Short Message Services (SMS) and General Packet Radio

Services (GPRS) are also growing. The result is in the short run, many individual users and organizations will have wait till the WAP support the other two capabilities. Forester terms this latent demand in the following lines "the people want WAP, just not this WAP". Secondly, the end users of WAP think that phones cannot receive the necessary data at sufficient speed nor it displays at very good resolutions. Wireless Markup Language is also seems as a bugbear of a language. In another study conducted by Arc Group in Japan, 80 per cent of the respondents thought that the security and usability were the issues requiring most urgent treatment. The computer based internet access were used mostly for browsing and searching for information about the goods and services whereas, the mobile access is used mostly for finding something specific information it restricts the scope of the WAP in the marketing area. Further, the WAP is not likely to generate the revenue until after the introduction of General Packet Radio services. John Evan Marketing director of Powergen rightly pointed out this phenomenon in the following lines "WAP services should be viewed as a method for creating growth in the business as a whole, not necessarily as a method of generating revenue. Because the users expect many services at free of cost so as a part of brand promise they should deliver additional services at free of cost."

CONCLUSION

Traditional mobile phone was designed to make phone call. But with the WAP enable mobile phones, consumers can enjoy the user interface that is optimized to be adopted to the small screen of a mobile handset to access travel, banking,

Table 3: Frequency of wap on the type of information required

	<i>Male</i>	<i>Female</i>	<i>Professional</i>	<i>Students</i>	<i>Others</i>
Travel Inoformations	9	1	6	-	4
Entertainment	6	3	2	1	6
Banking	9	-	5	2	2
Fin. information	4	3	5	-	2
Forex informations	2	-	2	-	-
Share price information	4	3	5	1	1
News	6	3	4	2	3
Other information	2	-	1	-	1
Chi-square Value	8.857			12.83	
Significance Level	0.2631			0.5401	

general, stock trading, finance, foreign exchange information easily through the limited network speed (9.6kbps). Thus, the limitations exist in the usage of WAP, and the consumers' expectations could not be met fully. It should be remembered that telecommunication vendors and service providers handled the launch of WAP atrociously. Promises were made but could not kept. The issues surrounding WAP are not the demand side but with the supply of services. The pot of gold exists, but it was never there to be taken without giving something in return.

KEYWORDS Marketing Strategy. WAP. Service Strategy Assessment.

ABSTRACT As a fixed line technology the internet has proved highly successful in reaching the homes of millions worldwide. The WAP (Wireless Application Protocol) bridges the gap between the mobile world and the internet as well as corporate intranets. This tremendous surge of interest and development in the area of wireless data in recent times has

caused worldwide in many ways and particularly in the field of commerce and trade also. In Malaysia the mobile telecommunication was introduced in 1986. The growth of cellular service was tremendous and it reached the level of 3.2 million customers within this 14 year period. By the introduction of WAP technology in Malaysia by Celcom, Maxis, and Time it has opened another marketing channel to deliver product and services to the consumers. This has created a new interest to study the acceptance level among the users of WAP as a marketing strategy. The present paper analyses the consumer perception about the use of WAP technology as a marketing strategy. The present study was carried out with a sample of 136 consumers drawn from diversified groups of consumers of Malaysia. The study provided the following conclusions. The WAP phenomenon has led to elevated expectations among the users. The users prefer fixed internet rather than the Mobile phones as a marketing information search tool. This is due to the fact that WAP currently only able to replicate the simple information services that already exists among the consumers. The advent of higher speed and developments in other technologies may enable more compelling applications. In addition certain factors such as advertising images, social groups and government restrictions might also affect the promotion of WAP technology as well as the success of WAP marketing in Malaysia.

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