A Cross-Cultural Comparison of Perceptions toward Personalized E-mail Advertising:
Korea and the United States

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A lot of companies are using personalized e-mail advertising targeting current or potential customers using each customer’s specific name or other personal information. The practice is popular not only in Korea, but also in numerous countries worldwide. However, there have not been enough studies examining consumers’ actual attitudes toward this advertising method yet. In addition, an investigation of possible disparities in consumers’ perceptions toward personalized e-mail advertising between different countries has not been conducted often. This study reports findings on consumer attitude toward personalized e-mail advertising from two culturally different societies: Korea and the U.S. The two countries have been compared in terms of numerous aspects of mass communication including advertising, but they have not yet been compared regarding the perceptions about personalized e-mail advertising. The results showed that personalized e-mail advertising produced negative effects on both consumers in general. However, the American consumers had more negative attitudes toward personalized advertising than the Korean consumers.

1. Background

Even before the advent of the Internet technology, several scholars and professionals speculated that companies traded and transferred personal information of every U.S. citizen every five seconds (Shaffer, 2000). Furthermore, since the Internet has become a significant part of our daily life worldwide, more and more companies have tried to collect and use consumers’ personal information for their marketing activities (Trollinger, 2006; M2PressWIRE, 2006). Using all possible channels, mostly online, many companies develop personal information databases (Marketing News, 2006) in order to learn more about their

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consumers and create more effective advertising messages. By virtue of the development of technologies for creating databases, one-on-one marketing and relationship marketing using on/off-line advertising methods have become more popular now than ever in many countries all over the World (Kim, Lee, Shaw, Chang, & Nelson, 2001).

Even though personalized advertising format has been used across several media for a long time (Stewart & Ward, 1994; Howard & Kerin, 2004), the development of diverse online technologies have created the opportunity for a real renaissance in personalized advertising (Pramataris, Papakyriakopoulos, Lekakos, & Mylonopoulos, 2001). The personalized advertisement—which has customized messages for every individual consumer and contains the commercial messages created based upon the data collected about the current or potential consumers—has received tremendous attention from advertisers as an effective marketing format (Lekakos & Giaglis, 2004; Wolin & Korgaonkar, 2005; Yuan & Tsao, 2003). Specifically, personalized e-mail advertising has proven to be one of the most popular personalized online advertisements (Yu & King, 2005). In addition, many other types of personalized online advertising are used by diverse companies worldwide, such as mobile advertising via cell phones and interactive TV (Bozios, Lekakos, Skoularidou, & Chorianopoulos, 2003; Tsang, Ho & Liang, 2004).

Although there has been a lack of research addressing consumers’ veritable perceptions of personalized e-mail advertising both in Korea and in cross-cultural settings (Sundar & Kim, 2005), the research that has been conducted has suggested a wide range of effects of this type of advertising. There is some evidence to support that when consumers receive individual attention via personalized e-mail advertising, the effect of the advertising will be increased (Pavlou & Stewart, 2000). However, on the other hand, mainly due to rising concerns regarding privacy, this traditional belief has been recently questioned by several researchers (Sacirbey, 2000; Miyazaki & Fernandez, 2000; Phelps, D’Souza & Nowak, 2001; Sheehan & Hoy, 1999). Some researchers have found that once consumers feel their privacy has been violated, they tend to quickly exhibit negative attitudes toward personalized advertising and other marketing efforts the advertiser is conducting (Sheehan & Gleason, 2001).

The current project has two goals. First, this study aims to provide empirical evidence regarding consumers’ opinions when they receive personalized e-mail advertising (e.g., “Hey Mrs. OOO, We recommend this product for you!”). Second, this research also tries to illuminate any cultural differences in consumers’ perceptions about personalized e-mail advertising. Several cross-cultural studies in advertising field (e.g., Yu & King, 2005; Choi, Lee, & Kim, 2005; Cutler & Javalgi, 1992; Gudykunst, Yuko, & Stella, 1 & In the current study, possible differences in the opinions about personalize de-mail advertising between the two countries will be examined across three sub-categories: general perceptions, actualres
responses, and brand attitude toward the product advertised—which have been employed in related studies (Yu & Cude 2007).

2. Literature Review

1) Definition of Personalized Advertising in this Study

Personalized advertising was defined in the present study as advertising that is created for an individual using information about the individual (Wolin & Korgaonkar, 2003; Yuan & Tsao, 2003), either personally identifying information (e.g., one’s e-mail address, name, or residence), and/or other personal information such as shopping history, preference of a specific product, or hobby. In addition, personalized advertising in this study was limited to advertising delivered without the individual’s prior consent (Pavlou & Stewart, 2000). Other terms have been commonly used with similar meaning as personalized advertising, including “customized advertising” (Gal-Or & Gal-Or, 2005; Tsang, Ho, & Liang, 2004) and “interactive advertising” (Sasser, Koslow, & Riordan, 2007). However, personalized advertising is a broader term that is relevant to advertising delivered via any type of media and thus was more appropriate for this study.

2) Incredible Increase of Personalized Advertising in Korea and the U.S.

Recently in Korea, a dramatic increase in the popularity of personalized advertising was seen along with the incredible online usage among people (Choi, Hwang, & McMillan, 2008; Lee, 2001). The Federal Communications Commission already indicated that Korea (South) has the highest penetration rate of high-speed Internet service in the world and its Internet use rate is the third-highest among the countries all over the world (The Financial News, 2002). Regarding the number of users who access the Internet in a daily basis is constantly growing, they comprise 57.3% of all Internet users in Korea. In addition, the Korean Internet users spend about 10.13 hours per week in average for surfing the Internet (Korea Network Information Center, 2002). Along with this huge popularity, more and more Korean companies have been applying diverse types of Internet advertising including personalized e-mail advertising (Xu, Liao, & Li, 2008).

The situations described above are not quite different in the U.S. as well. In 1998, the Federal Trade
Commission already reported that about 92% of the companies who conduct their marketing efforts through websites collected consumers’ personal information for their advertising. Actually, as several types of personalized marketing including one-to-one marketing (Friedman & Vincent, 2005), database marketing (Wehmeyer 2005), and relationship marketing (Palmatier, Dant, Grewal, & Evans, 2006) has increased more than ever, many American companies are showing serious interests in diverse personal information. Companies’ efforts to get more specified, personalized information about consumers have been very common not only in online but also in offline venue (Marketing News, 2006). More and more companies including many retail stores have used the tactics for the personal care of consumers based upon the information about individual consumers they get through diverse routes. The popular tactics companies use for personalized marketing include loyalty schemes, store credit cards, and collecting timely information about consumer choices and preferences (Gurau, Ranchod, & Gauzente 2003). The personal information that many advertisers companies popularly use for their marketing efforts are demographic characteristics, geographical information, and diverse psychographical information (Lekakos & Giaglis, 2004). The information is actually gotten not only from the companies themselves, but also from specialized third parties gathering and providing the information to other marketers (Pavlou & Stewart, 2000).

Advertisers use the information they get for planning and conducting many types of personalized advertising to targeted consumers (Pramataris et al., 2001). Yuan & Tsao (2003) indicated that there has been a growing in the companies’ total spending for conducting personalized advertising and the styles of personalized advertising have also increased dramatically (Yuan & Tsao, 2003). Not only the most popular format of personalized advertising, e-mail advertising, but also there are diverse high technology-based personalized online advertising have been introduced to the market such as personalized web pages that use cookies to record an individual’s web surfing history, personalized interactive TV commercials, smart banners, and many other types of mobile-based advertising (Ha, 2004; Lee, 2001; Yuan & Tsao, 2003; Pramataris et al., 2001).

The increased popularity of personalized advertising (online and offline) by companies explained above has changed the traditional definition of advertising as well. According to the American Marketing Association (Alexander, 1960), advertising is defined as “any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.” However, as critical elements around the definition change a lot, there is a clear rationale for reconsidering the concept of “non-personal.” Especially, many online technologies have caused an important shift from focusing on traditional mass advertising to more concentrated and targeted audiences (Pavlou & Stewart, 2000).
3) Optimism: Positive View toward the Effects of Personalized Advertising

Regarding the effects of personalized advertising, there have been several indications discussing the positive aspects of personalized advertising. Even though it was way before the debut of Internet, a study by Stewart & Ward (1994) indicated that user involvement, considered as one of the most popular benefits of personalized advertising, has been widely considered to be an important factor in improving advertising effectiveness. McKeen & colleagues (1994) also argued that participation and user involvement would improve the consumers’ satisfaction and performance in the design of other information systems. Through user interaction, a more accurate and complete assessment of user information requirements can be provided so that the intended marketing efforts could be more effective (Ives & Olson, 1984). Along with the skyrocketing popularity of the Internet in American society, there has also been increasing interest in online personalized advertising. In general, many studies have concluded that personalized advertising is effective for motivating consumers to be more involved in advertising (Roehm & Haugtvedt, 1999; Pavlou & Stewart, 2000). For example, consumers are more likely to accept the relevant messages to them and they are most likely to purchases or take other desired actions toward the brand, products, or services (Pavlou & Stewart, 2000).

Some other researchers including Nowak and the colleagues (1999) also claimed that personalization created in online advertising should increase the effectiveness of advertising. The researchers reported that personalized online advertising increased the possibility of clicking behavior among the participants (Nowak et al., 1999). They also found that the interactivity created between the users and the advertisers could be the most crucial advantage of the personalized advertising. Among several ways to produce interactivity, Rodgers & Thornson (2000) discussed that referring to specific users by their exact names along with the people’s particular interests can produce an important type of interactivity which could lead the users to higher level of interest in the advertising or the brand/product/service advertised. The researchers also pointed out that the personalization is one of the most crucial benefits for consumers the advertisements through traditional media are not able to produce for consumers. As another support for this notion, Roehm & Haugtvedt (1999) also indicated that consumers could perceive that they are getting more benefits from this personalized and interactive environment as they are physically and mentally involved in the persuasion process. There was a study as well arguing that the degree to which advertising is perceived to be personalized and individually cared would be an important measure for effective online advertising (Pavlou & Stewart, 2000). The researchers argued that figuring out individuals’ preferences and applying those in advertising could determine the effects of personalized advertising.
In addition to the studies indicated above, several other studies and media reports have indicated that personalized advertising messages could be more effective than non-personalized messages not only in online advertising but also in offline advertising (O’Leary, Rao, & Perry, 2004; Yuan & Tsao, 2003). As an example, Howard & Kerin (2004) suggests that advertising using personalized notes such as “Dear Mr OOO, Please Try this. It works!” had higher response rates than advertising without any cues for personalized advertising messages.

4) Skepticism: Negative Perspective toward the Effects of Personalized Advertising

However, there were some inconsistencies in the previous studies regarding the effects of personalized advertising. In other words, different from the studies indicated above, there have been some research which showed the concerns about negative effects of personalized advertising on the brands/products/services advertised (Phelps, D’Souza & Nowak, 2001; Sacirbey, 2000). Privacy issue is one of the major reasons for many researchers speculate about the effect of personalized advertising (Sheehan & Hoy, 1999; Miyazaki & Fernandez, 2000). A recent poll conducted by UPI-Zogby International (2007) reported that more than 90% of the people participated in the survey from diverse countries answered that they were concerned about their privacy or the possibility of identity theft in their daily lives. Based on this kind of notion, the researchers including Gurau, Ranchhod, & Gauzente (2003) indicated that personalized advertising could become less effective if consumers consider it as an invasion of the consumers’ privacy (Gurau, Ranchhod, & Gauzente, 2003; Sheehan, 1999).

An empirical study by Tsang, Ho, & Liang (2004) also reported that the consumers participated in basically have negative perceptions about personalized mobile advertising unless they have provided the advertisers the consent to send the personalized advertising using their personal information. Since there have been several studies confirming that there is a significant relationship between unfavorable consumer attitudes and negative consumer behavior in the future (e.g., Nowak, Shamp, Hollander, & Cameron, 1999; Sacirbey, 2000), it could be said that personalized advertising might cause negative influences on consumers’ future behaviors which are related to the brands/products/services advertised. There was a study indicating the people’s negative attitude toward online personalized advertising in general (Sheehan & Hoy, 1999). They reported that the majority of the participants in the research ignored solicitation messages altogether without opening e-mails or some of the participants even sent requests to the Internet Service Providers to be removed from specific mailing lists. In addition, more than 70% of participants answered that they don’t have intentions to register for websites that requested
their personal information.

In general, it also has been known that most Korean consumers have negative perceptions about the advertising which use individual consumers’ personal information (Huang, 2001). Park & her colleagues (2005) confirmed this notion by indicating that Korean consumers basically feel uneasy when they receive unsolicited commercial messages using their personalized information delivered electronically (e.g., e-mail, mobile messages). The result of the study by Park et al., (2005) suggested that most Korean consumers consider that it is unethical for companies to produce and send advertising messages using personal information without the consumers’ prior consents. The participants in the study also answered that the advertisers who send the commercial messages not only violated their privacy, but also the important social norm (2005).

5) Advantage from Personalization and the Concerns about Violating Privacy:
   Companies’ Dilemma

Some researchers have brought up the dilemma of “Advantage from Personalization and the Concerns about Violating Privacy” many companies might have (Caudill & Murphy, 2000; Long, Hogg, Hartley, & Angold, 1999; Mabley, 2000). Especially, as online users become more sophisticated and companies are able to deliver more targeted advertising messages than ever, there has been a consistent increase of personalization. The interest in personalization is actually not only from companies, but also from consumers themselves since they could get diverse benefits from personalization. According to the researchers (e.g., Gurau, Ranchhod, & Gauzente, 2003), recent consumers generally want more individualized attention, one-to-one communication for themselves, and personalized offers which are based upon their specific preference (2003). However, the potential for violating consumers’ privacy by companies has exponentially increased as the amount of individual consumers’ data collected in consumer marketing databases grows continuously (Caudill & Murphy, 2000). As indicated previously, the researchers argued the concerns that once consumers feel that their privacy is violated, the personalized advertising will cause negative effect (Sheehan, 1999), and that it is very dangerous for advertisers to conduct personalized advertising only based upon simple optimistic view without questioning the possible detrimental consequences (Nowak et al., 1999; Sacirbey, 2000).
6) Cultural Differences, Personalized E-mail Advertising, and the Hypotheses

So far, several studies have indicated that U.S. consumers have a comparatively favorable attitude toward advertising than Korean consumers in general (Choi & Miracle, 2004; Cho et al., 1999). First of all, regarding the amount of TV commercials, American audiences are exposed to a higher number of commercials than are audiences in Korea (La Ferle & Lee, 2002). A major financial source of the TV programs in both countries comes from selling time spots for commercials, but imbedded commercials (i.e., commercial breaks, “중간광고” in Korean) have been still strictly prohibited by law in Korea (문철수 2009; Yu & King, 2005). In spite of numerous audits and workshops by industries, governmental organizations, and academic scholars that urged allowing commercial breaks in Korea, imbedded commercials were still not allowed as of December 2010. In addition, several media reports have indicated that Korean consumers have strong negative opinions in general about commercial breaks during programs (Segye Daily, November 12, 2007; Yu & King, 2005). Actually, according to a 2005 national poll by the Hankyoreh Daily, in the fourth-largest daily newspaper in Korea, more than 90% of the people who answered were strongly against allowing commercial breaks during TV programs (2005).

As a supporting literature for the situation in Korea, Shavitt, Nelson & Yuan (1997) discussed that the consumers in collectivistic cultures (e.g., Korea) are more concerned about the appropriateness of the manner in which companies send commercial messages to the audience (e.g., using commercial breaks). However, the consumers from individualistic cultures (e.g., the U.S.) are more concerned about the facts or information rather than the way in which the commercial messages are delivered (Choi & Miracle, 2004). By this difference, it is possible that U.S. consumers could pay more attention to advertising content itself once they consider it might be useful for them, even though the way in which the commercial messages are sent is not quite right. On the other hand, it is highly possible for Korean consumers to ignore the commercial information once they feel the manner (e.g., using commercial breaks: “how to send commercial messages”) in which the information is sent is not appropriate. In addition, some studies even suggest that Korean consumers tend to be more focused on how the messages are conveyed rather than the commercial message itself (e.g., La Ferle & Lee, 2002).

Therefore, based upon the different perceptions toward advertising previously known between the Korean consumers and the U.S. consumers, this research formulates the following hypotheses that the U.S. consumers are generally more favorable toward personalized e-mail advertising than Korean consumers. The possible differences in the perceptions between the consumers from the two countries will be explored by a survey consisting of following three sub-sections (DVs): participants’ general
H1: American consumers’ general attitudes toward personalized e-mail advertising are more favorable than those of Korean consumers.
H2: American consumers’ actual responses to personalized e-mail advertising are more favorable than those of Korean consumers.
H3: American consumers’ attitudes toward the brand advertised in personalized e-mail advertising are more favorable than those of Korean consumers.

3. Method

The questions used in the survey were categorized into three sub-topics by which the three hypotheses were developed. The three topics have been prominent issues in the literature about personalized advertising and one-to-one marketing (Yu & Cude, 2007): (1) consumers’ general perceptions of personalized advertising (Pavlou & Stewart, 2000); 2) actual reactions of consumers when they receive personalized advertising (Sheehan and Hoy 1999); and (3) consumers’ attitudes toward a specific brand after receiving personalized advertising (Sundar & Kim, 2005; Chachko, 2004). Each section of the survey contains five specific statements eliciting opinions using an agree-disagree 5-point scale. Participants were asked to respond to a total of 15 statements. An online survey was administered (using the www.surveymonkey.com) mainly due to the fact that the survey is more convenient than any other data gathering method for cross-cultural research (Kelly-Milburn & Milburn, 1995; Rosen & Petty, 1997; Paek, Yu & Bae, 2007).

All the questions to the participants had a part “...You received personalized e-mails which have your name in the title from an advertiser who you don’t know...” The reason for the author asked the participants to answer all the questions based on the assumption that an advertiser who the participants don’t know rather than they might know or they are familiar with sends a personalized e-mail advertisement was that the author wanted to figure out the initial reactions of the participants when they receive commercial e-mail messages with their personalized information since the main issue of this study is investigating how the participants’ perceptions about their privacy will influence their attitude toward personalized e-mail advertisement from total strangers.

In order to recruit the participants for the present study, the author applied a convenient sampling
method. Regarding the Korean consumers, the students in an introductory Journalism class at a university in the Capital City of Korea (Seoul) were contacted. The same process was used to recruit the U.S. consumers at a public university in Northeast Georgia, United States. After getting the permission of the professors in both countries, the author sent invitation e-mails to the students regarding participating in the online survey. The author did not provide any specific knowledge about the research except the title and the topic of the study prior to the administration of the survey. The online surveys were conducted concurrently over a period of five days in both countries. In addition to receiving extra credit from the professors, the participants in the U.S. were entered into a drawing for a $50 gift card at the campus bookstore. These compensations were identical with the students in Korea. The total number of participants in this study was 340 (Korea: 142, the U.S.: 198).

Since the three different dependent variables (General attitudes toward personalized e-mail advertising, Actual responses to personalized e-mail advertising, and Attitude toward the brand advertised in personalized e-mail advertising) were examined using multiple questions for each category, the reliability tests were conducted to check if the statements are asking same issues (e.g., “General attitudes toward personalized e-mail advertising”). In the results, it was found that the reliabilities among the questions from the three different categories got acceptable Cronbach Alphas (.789, .844, .915). Therefore, the author could move on to the next level of analysis.

4. Results

1) H1: American consumers’ general attitudes toward personalized e-mail advertising are more favorable than those of Korean consumers

Of the five statements in section 1 (General Attitude toward Personalized E-mail Advertising), the researcher conducted reverse coding for the answers to two statements (Statements 2 and 5; see Table 1) which were originally written in a negative way. Due to the reverse coding, higher mean scores in every statement indicated that the participants considered personalized e-mail advertising regarding the specific issue in the statement to be more positive. On the other hand, the lower scores mean that the participants considered personalized e-mail advertising to be more negative in terms of the specific issue discussed in the statement.

Overall, participants in both countries had negative perceptions about receiving personalized e-mail advertising (Table 1). Even though many of the participants in the two countries answered that they
do not take seriously personalized e-mail advertising that uses their names or other personal information in the title (Mean/ U.S.: 4.10, Korea: 3.94), they generally felt uncomfortable because their e-mail addresses were known to marketers they themselves do not know (Mean/ U.S.: 2.07, Korea: 2.53). The American participants had more negative opinions about companies having their personal information (e.g., names or addresses) without permission, and the difference between the two countries’ participants was statistically significant (p < .01). For the statement, “When I receive personalized e-mail advertising, even though it is an unfamiliar advertiser, I will be interested if it is about a product I like,” American participants showed lower agreement than Korean participants, and the difference was also significant (Mean/ U.S.: 2.05, Korea: 3.15, p < .01). The participants in both countries rarely felt that they were treated with special care by the advertiser when they receive personalized e-mail advertising containing their names or other personal information (Mean/ U.S.: 1.45, Korea: 1.39). Regarding the statement “When I receive personalized e-mail advertising, I am upset because my e-mail address is important personal information,” American participants showed more negative opinions than Korean participants (p < .05).

Based upon the results (Table 1), which generally indicated that Korean participants have more favorable attitudes toward personalized e-mail advertising than their American counterparts, hypothesis 1 was not supported.

(Table 1) General Attitudes toward Personalized E-mail Advertising

<table>
<thead>
<tr>
<th>Statement</th>
<th>The U.S. Mean (SD)</th>
<th>Korea Mean (SD)</th>
<th>t</th>
<th>df</th>
<th>Sig</th>
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</thead>
<tbody>
<tr>
<td>When I receive personalized e-mails which have my name (or other personal information) in the title from an advertiser (company, brand, person) who I don’t know, I generally don’t take it seriously,</td>
<td>4.10</td>
<td>3.94</td>
<td>1.346</td>
<td>338</td>
<td>–</td>
</tr>
<tr>
<td>When I receive personalized e-mails, I feel curious and uncomfortable because someone I do not know has my personal information without my permission,</td>
<td>2.07</td>
<td>2.53</td>
<td>-3.921</td>
<td>338</td>
<td>p&lt;.01</td>
</tr>
<tr>
<td>When I receive personalized e-mails, even from an unfamiliar advertiser, I will be interested if it is about a product I like,</td>
<td>2.05</td>
<td>3.15</td>
<td>-9.280</td>
<td>338</td>
<td>p&lt;.01</td>
</tr>
<tr>
<td>When I receive personalized e-mails, I feel I am being treated with special care,</td>
<td>1.45</td>
<td>1.39</td>
<td>.671</td>
<td>338</td>
<td>–</td>
</tr>
<tr>
<td>When I receive personalized e-mails, I am upset because my e-mail address is important personal information,</td>
<td>2.32</td>
<td>2.56</td>
<td>-2.075</td>
<td>338</td>
<td>p&lt;.05</td>
</tr>
</tbody>
</table>
2) H2: American consumers’ actual responses to personalized e-mail advertising are more favorable than those of Korean consumers

As in the previous section, the researcher conducted reverse coding for the second, third, and fourth statements in section 2 because those statements were originally generated with negative sentences. Therefore, the higher scores in the statements indicated that the participants gave more positive answers about personalized e-mail advertising.

The typical response of participants when they received a personalized e-mail advertising was to immediately delete it, and this result was found in both countries’ participants without significant difference (Mean/ U.S.: 1.81, Korea: 1.96). Most of the participants in both countries were not willing to open personalized e-mail advertising even though he or she may see his or her name in the title (Mean/ U.S.: 1.97, Korea: 1.68). Regarding the last two statements, significant differences between the two countries’ participants were found. In response to the statement “When I have received personalized e-mail advertising, I have sent a reply e-mail (or placed a call) to an advertiser asking them not to send personalized e-mail advertising to me anymore,” American participants revealed stronger agreement than Korean participants. More American participants answered that they have sent a complaining e-mail back to the company which sent them personalized e-mail advertising without their permission (Table 2).

\(\text{Table 2) Actual Response toward Personalized E-mail Advertising}\)

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<tr>
<th>Statement</th>
<th>The U.S. Mean (SD)</th>
<th>Korea Mean (SD)</th>
<th>t</th>
<th>df</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>When I receive personalized e-mails that have my name in the title from an advertiser (company, brand, store, person) who I don’t know, I am willing to open it and read it,</td>
<td>1.97</td>
<td>1.68</td>
<td>3.251</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
<tr>
<td>When I receive personalized e-mails, I delete them immediately,</td>
<td>1.81</td>
<td>1.96</td>
<td>−1.257</td>
<td>338</td>
<td>−</td>
</tr>
<tr>
<td>When I have received personalized e-mails, I have sent an e-mail (or placed a call) to an advertiser demanding to know how they got my personal information,</td>
<td>4.40</td>
<td>4.42</td>
<td>−2.49</td>
<td>338</td>
<td>−</td>
</tr>
<tr>
<td>When I have received personalized e-mails, I have sent an e-mail (or placed a call) to an advertiser asking them not to send personalized e-mails to me anymore,</td>
<td>3.58</td>
<td>4.39</td>
<td>−6.067</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
<tr>
<td>When I have received personalized e-mails, I have sent an e-mail (or placed a call) to an advertiser asking for more information about the product being advertised,</td>
<td>1.35</td>
<td>1.73</td>
<td>−4.294</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
</tbody>
</table>
On the other hand, Korean participants were more likely to request more information about the product advertised in the personalized e-mail advertising if they felt the product was interesting. The difference between Korean participants and American participants in terms of the request for more information was significantly different (Mean/ U.S.: 1.35, Korea: 1.73, p < .01). Based upon the results in this section, hypothesis 2 was not supported.

3) H3: American consumers’ attitudes toward the brand advertised in personalized e-mail advertising are more favorable than those of Korean consumers.

Again, the researcher conducted reverse coding for some statements (1, 3, and 5) in this section. The lower scores of each statement in this section indicated more negative attitudes toward personalized e-mail advertising. The results of the statements in section 3, which asked about the attitude toward the brand advertised in the personalized e-mail advertising, also indicated that American participants generally had more negative opinions than Korean participants (Table 3). In four of the five statements in this section, the answers from American participants were less favorable than those of Korean participants. First, regarding the issue “When I received personalized e-mail advertising including my name from an advertiser (company, brand, store, person) who I don’t know, I felt terrible about this advertiser,” the answers by the participants from the two countries showed a significant difference (Mean/ U.S.:

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<table>
<thead>
<tr>
<th>Statement</th>
<th>The U.S. Mean (SD)</th>
<th>Korea Mean (SD)</th>
<th>t</th>
<th>df</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>When I received personalized e-mails including my name from an advertiser (company, brand, store, person) who I don’t know, I felt terrible about this advertiser.</td>
<td>2.46</td>
<td>2.83</td>
<td>-3.517</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
<tr>
<td>After I have received personalized e-mails, I have made purchases from the advertiser who sent me the e-mail.</td>
<td>1.71</td>
<td>1.79</td>
<td>-0.766</td>
<td>338</td>
<td>-</td>
</tr>
<tr>
<td>After I have received personalized e-mails, I have told my friends or family not to buy products from the advertiser.</td>
<td>3.81</td>
<td>3.44</td>
<td>3.519</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
<tr>
<td>After getting personalized e-mails, I am likely to buy from this advertiser.</td>
<td>1.84</td>
<td>2.85</td>
<td>-10.115</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
<tr>
<td>After getting personalized e-mails, I don’t trust the advertiser, because they got my e-mail address without my knowledge.</td>
<td>2.56</td>
<td>3.08</td>
<td>-4.670</td>
<td>338</td>
<td>P&lt;.01</td>
</tr>
</tbody>
</table>
The American participants answered that they are less likely to buy the brand which was advertised in a personalized e-mail advertisement they got. On the other hand, Korean participants were comparatively more positive about the possibility of sometimes buying the brand that was advertised in a personalized e-mail (Mean/ U.S.: 1.84, Korea: 2.85). Regarding trust toward the brand (“After getting personalized e-mail advertising, I don’t trust the advertiser, because they got my e-mail address without my knowledge”), American participants answered more negatively compared to Korean participants. The difference was also statistically significant (Mean/ U.S.: 2.56, Korea: 3.08, p <. 01).

However, there was not a significant difference in the statement asking if the participants had actually bought the product that was advertised in the personalized e-mail they received. The participants in both countries indicated that they had hardly ever purchased products advertised in personalized e-mail advertising (Mean/ U.S.: 1.71, Korea: 1.79). Since American participants showed more negative attitudes toward the brand/product advertised in personalized e-mail ads, hypothesis 3 was not supported.

5. Discussion

As indicated above in the result section, the hypotheses formulated in this study (H1: American consumers’ general attitudes toward personalized e-mail advertising are more favorable than those of Korean consumers, H2: American consumers’ actual responses to personalized e-mail advertising are more favorable than those of Korean consumers, H3: American consumers’ attitudes toward the brand advertised in personalized e-mail advertising are more favorable than those of Korean consumers) were not supported. The author expected that American consumers have more favorable attitude toward personalized e-mail advertising compared to Korean consumers based upon several studies previously conducted and some media reports (e.g., Choi & Miracle, 2004; Cho et al., 1999; Yu and King 2005), but it was confirmed that all the hypotheses were not supported according to the results of this study. Therefore, the author came up with followings interpretations of the results which contradicted the hypotheses.

1) Privacy: American Consumers’ Major Concern Regarding Personalized E-mail Advertising

In this study, it was clearly found that personalized e-mail advertising generated negative, rather than positive, effects on the consumers in both countries. More specifically, the American participants
had more negative opinions about personalized e-mail advertising than the Korean participants. As mentioned in the literature review section, an international trend in the business world is to spend large amounts of money sending out diverse types of personalized e-mail advertising (Gurau, Ranchhod, & Gauzente, 2003) with the general belief that when consumers are personally approached by companies in any way, the intended effect of the advertisement increases (Roehm & Haugtvedt, 1999; Pavlou & Stewart, 2000). However, the empirical results of the present study suggest that advertisers, especially many American companies, need to use extreme caution when planning personalized e-mail advertising. The most typical response from the participants in both countries was to delete the personalized e-mail advertising without even opening it. In addition, the majority of the American consumers in the current study indicated that not only do they delete advertising that is couched in a personalized e-mail, but they also frequently send a reply complaining about the use of their personal information without any permission. Furthermore, the possibility that the American participants would consider buying the product/services advertised in the personalized e-mail advertising was extremely lower than what the Korean participants indicated.

Many companies create their own databases and regularly send customized advertising messages to consumers (Howard & Kerin, 2004). The companies produce personalized messages based upon personal information they get from diverse channels, such as the buying history of each individual customer. From the perspective of a business, producing and sending customized and personalized advertising messages through e-mail is one way to show special attention to the consumer, but this personalized e-mail advertising has the potential to be considered by consumers as just junk e-mail or, worse, unethical marketing activities because they violate consumers’ privacy. People’s general avoidance of advertising messages online has been indicated by numerous studies. Cho & Cheon (2004) suggested three important variables causing advertising avoidance among online consumers: perceived goal impediment, perceived advertising clutter, and prior negative experience. Of those three variables, the researchers confirmed that perceived impediment is the most significant antecedent explaining advertising avoidance online. Another critical variable is that those who received personalized e-mail advertising may believe the practice to be unethical because their privacy is being violated by the company from which the e-mail advertising originated (Sheehan, 1999).

As researchers have pointed out, companies are experiencing the dilemma of personalization and privacy (Caudill & Murphy, 2000; Long et al., 1999). The more detailed information about their consumers companies have, the more efficient the companies conduct the customer care. However, on the other hand, it is highly possible for the level of customers’ feeling that their privacy has been violated increases.
This unethical image that consumers might have about the companies is not at all helpful for their marketing efforts (Hackley, 1999; Snyder, 2003).

Then, there could be an important question; how advertisers can deliver personalized e-mail advertising to American consumers without creating any negative image.

As technologies have been improved, there are many unique ways to develop databases that provide diverse personalized information of consumers (Bozios et al., 2003; Tsang, Ho, & Liang, 2004). In addition, the improvement of technologies has made possible many types of personalized advertising. However, even though there have been exponential developments in terms of skills or technologies for collecting personal information and delivering personalized commercial messages, the discussions about the perspective from customers who are supposed to receive personalized advertising messages has not been popularly conducted.

Based upon the results from this study, the optimistic belief that if customers are given personal care, they will respond positively needs to be reexamined. Also, a more important study of how companies can ensure customers that the companies are ethical and sincere should be conducted. Therefore, possible future research should address the issues such as copy testing, creating less intimidating titles for personalized e-mail advertising, and getting consent from the consumers. All the efforts for conducting personalized advertising, including e-mail advertising, are potentially a waste of money unless the companies can develop a means to deliver the personalized messages without causing the consumers' privacy concerns.

2) Korean Consumers' Less Negative Attitudes toward Personalized Advertising: Extreme Popularity of the Internet

Then, why do Korean consumers generally have less negative perceptions about personalized e-mail advertising than American consumers? The author suggests one possible explanation for the findings from this study: the exponential popularity of the Internet usage among Korean people (consumers). Korea has been already considered to be one of the global leaders in the usage of the Internet among the people and in the rate of penetration of broadband Internet services (Wall Street Journal, 2006). Along with the popularity, many Korean people have changed their major source for the information to buy products/services from traditional media (e.g., TV, Radio, Newspapers) to Internet and mobile. As responses to the changes of consumers, there has been a huge increase in companies' budget for advertising through Internet and mobile (Howard & Kerin, 2004). Under this situation, it could be possible for consumers to be more open to accept personalized e-mail advertising (commercial messages)
sent by companies even though the consumers are basically concerned about their privacy. Furthermore, since current consumers have considered interactivity to be such a very important characteristic when they choose and enjoy advertising (Yuan & Tsao, 2003), personalized e-mail advertising has become more attractive option for Korean consumers than ever (Lee, 2001; Yuan & Tsao, 2003). Exchanging personalized e-mails which is one of the most common tools companies adopt for their marketing could generate the interactivity between companies and users very easily. In addition, diverse indicators of interactivity on websites are actually related with several functions that would be better worked with broadband Internet service (e.g., real-time chatting with other users, downloading information from websites, online discussions with professionals, or watching video clips demonstrating a specific product) which is extremely popular in Korean society.

In 1964, Marshall McLuhan suggested the concept of “technological determinism” to discuss the notion that people need to consider technological development (e.g., the Internet or Mobile as of now) as a critical factor to understand a specific cultural phenomena. In his book, Understanding Media: The Extension of Man, McLuhan emphasized on the medium itself more (i.e., technology) compared to the content contained in media (“the medium is the message” 1964, p.69). McLuhan indicated that people need to understand the importance of media from the technological perspective for understanding the structure of human being’s communication. He used an example a light bulb saying that there is no content in it like a traditional newspaper has reports and articles. However, the light bulb is a critical medium which has a huge social effect (1964, p.8). It is true that a light bulb makes people create valuable time and spaces which people could not have had without the technological achievement. In this way, people’s improvement of technologies could significantly influence how people create their communication cultures and what those cultures look like. The author believes that this “technological determinism” the concept suggested by McLuhan could be applied in the situations we have right now especially regarding the extreme popularity of the Internet and mobile technologies.

6. Limitations and Suggestions for Future Study

The representativeness of the sample (i.e., the college students in both countries) recruited for this study could be a limitation. Despite the fact that the young people aged about 19-24 have been considered as an important consumer group for diverse products and services in Korea and the U.S. (Paek, 2005; Kim, 1999; Huang, 2001; Tsang, Ho, & Liang, 2004), the positions of the participants, college students,
and the sample size (340) could cause some limitations in generalizing the results of the present study. Therefore, some possible follow-up research could be the studies looking at some other consumers (e.g., Y-generation or Baby-boomer generation) who are more likely the major target audience of some specific types of personalized marketing. In addition, since there was a possibility for the results of this study is highly related to young consumers’ high comfort level with online communication compared to other groups of consumers (Knoop, Lovich, Silverstein, & Tuttty, 2003), using some other groups of consumers will be very beneficial.

Next, some experimental studies regarding the issues of the people’s attitude toward personalized e-mail advertising could produce diverse interesting results as well. For example, we could figure out or isolate the effect of the personalization elements in advertising (e.g., name, address, e-mail address) on consumers’ attitude toward the advertising. In addition, because the present study only applied the situations of personalized advertising and e-mail advertising instead of advertising in general, a future study investigating the influence of several features encouraging people to feel personalization in diverse types of advertisements would produce another important implication about related studies. Lastly, the present study did not send actual e-mails (advertising messages) using the consumers’ personal information during the survey. Rather, the author provided several types of scenario by asking the participants “…please imagine you got an e-mail advertising with your personal information…” Even though some marketing studies have used this scenario method if there could be some limitations in producing real situations for the participants, it looks obvious that the results would have been different if this study actually sent an e-mail advertisement to the people and in an experiment setting. Therefore, in a future study, an experiment in which actual personalized e-mail advertisements are delivered to the participants even though the sample size could be smaller than that of the present study need to be considered.
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개인 이메일을 통해 전달되는 광고에 대한 태도: 한국-미국 소비자들을 활용한 비교연구

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길수록 더욱 많은 기업들이 개별 소비자의 이름, 성별, 나이나 특정 상품에 대한 선호도와 같은 정보들을 다양한 경로를 통해 확보, 개인화된 메시지로 제작하여 (예: "안녕하십니까? OOO씨, 신제품 OO를 소개해드립니다!") 이메일로 발송하는 개인화된 이메일 광고 (Personalized E-mail Advertising)를 집행하고 있다. 이 같은 현상은 우리 나라뿐 아니라 미국을 비롯한 세계 주요 국가들에서도 대단히 성행하고 있는 것으로 보고되고 있다. 하지만 이러한 많은 기업들의 주요 마케팅 수단으로 활용되고 있음에도 불구하고, 소비자들의 실제 반응과 광고자체 혹은 광고되고 있는 브랜드 등에 대한 소비자의 의견 등을 파악하여 시사점을 제공하는 학문적 연구는 아직 부족한 것이 현실이다. 더욱이, 개인화된 이메일 광고라는 소재를 문화적 비교라는 측면에서 접근하여 분석한 경우는 많지 않았다. 본 탐색적 연구는 세계적인 인터넷 네트워크를 구축하고 있다는 점에서는 공통점을 갖지만, 소비자 문화 측면에서는 많은 차이점을 가진 것으로 알려진 우리 한국과 미국의 소비자들을 대상으로, 그들이 개인화된 이메일 광고에 보이는 반응과 인식 등을 비교, 분석할 것이다. 사실 두 나라 간의 소비자 연구는 다양한 측면에서 연구된 바 있지만, 개인화된 이메일 광고에 대한 태도 비교는 그다지 대중적으로 논의되지 못하였다. 본 연구 결과, 개인화된 이메일 광고는 한국과 미국 소비자들에게 공히 부정적인 인식을 만들고 있었으며, 특히 미국의 소비자들은 사생활 침해라는 시각에 의해 대단히 심각한 수준의 반감을 가지고 있는 것으로 파악되었다.

주제어 : 이메일 광고, 문화간 비교연구, 개인화 광고, 사생활침해, 광고 효과, 소비자행동