1.1 Marketing Communications
Marketing Communications include the marketing messages and related media used to communicate with a specified market. In practicing marketing communication, marketers use an integrated mix of advertising, branding, direct marketing, promotion, publicity, sponsorship, public relations, sales promotion and online marketing. The purpose of any form of marketing communication is to provide a set of information to the target audience in such a manner that encourages positive response by the recipients of communication. A customer-centered view would appreciate that customers give regard to communications. Communications are perceived useful or not of any use on the basis of its relevance, timeliness, convenience and consistency with other messages received. Marketing communications help in defining an organization’s relationships with customers not only by the kind of messages exchanged, but also by the choice of media, occasion and frequency of messages.

The marketing of products/services and the techniques in which communication takes place with customers are changing worldwide at a rapid pace. Consumers had changed tremendously over the last two decades and are still evolving in their pattern of behavior. Consequently marketers have to change the ways they conduct their marketing communication activities and should move towards holistic and customer-oriented marketing. In this new environment, marketers are being forced to adopt new paradigms to survive and grow in intense competition by meeting ever rising consumer demands. These developments have endless opportunities in terms of large, free global markets and improved ability to meet the challenges by using technology.
Technological development has redefined world as a whole. Internet has emerged as a new medium of communication, a mechanism of collaboration and reservoir of information. Getting connected has become the new mantra of business management in general and marketing in particular. Therefore, marketing communication has become more transparent, flexible and technology driven. This evolution has become the turning point for new age marketers especially who are practicing marketing communications.

1.2 Privacy Issues and Marketing
Marketing communications will not provide desired results if they are not targeted to the right customers at the right time. Also, it will enable the customer to blow whistle for issue of privacy. Privacy is defined as “the right of an individual to control the information held about them by third parties” (Chaffey, 2003). Privacy can be understood as an individual’s right to control communication of personal nature. Privacy from marketing view point is the ability of individuals to control information about them. It emphasizes what and how much is collected by others, how it may be used, and so on. Therefore Godin (1999) and Goodwin (1991) define consumer privacy as the consumer’s ability to control presence of other consumers in the environment during any market transaction and dissemination of information related to or provided during such transactions or behaviors to those who were not present.

There are several key stakeholders involved in the management of consumer privacy. The most important are the consumer, marketer and the government. Out of all, consumers is the most fundamental stakeholder. Governments around the world play useful and active role acting as a regulator, where government legally enforces the use of laws of privacy and restricts its misuse. The onus of making privacy viable for consumers is not only to be handled by the government alone but onus is also on professionals practicing
in this field to inform marketers about the economic benefits that privacy practices can create for an organization.

1.3 Evolution of Permission Marketing
Milne and Gordon (1993) discussed the role of customer permission and its importance in marketing. This acted as a foundation point of evolution of Permission Marketing as a new mantra of ethical marketing. According to them, the information could remain the property of the consumer, and no organization would be permitted to use it for any other purpose without taking permission from the consumer. The insertion of Permission Marketing in direct mail proposals is geared toward preventing undesired dissemination of consumer information. Hagel and Singer (1999) discussed the concept of infomediaries or information brokers who strongly elicit the permission of consumers and protect their privacy. Godin (1999) coined the term “Permission Marketing” which is based on the premise of customer centricity, in which consumers give their consent to receive marketing information of their choice. Permission Marketing as name suggests offers the consumer an opportunity to volunteer to be marketed to. It is therefore anticipated, personal, and relevant. The definition of Permission Marketing mainly focuses on marketing practices which are centered on obtaining customer consent to receive information from a marketer.

This early definition has three major components:

1. It is about building relationship with customers
2. It focuses on establishing privacy rights rather than to enhance targeting
3. It examines both positive and negative activities involved in Permission Marketing

Permission Marketing gained attention of media in early 2000. Various studies had been undertaken, since then. The key to Permission Marketing is knowing customer interests and information needs (Sterne and Priore, 2000).
Krishnamurthy (2001) developed a model where consumer interest in a permission-marketing program is the theme of Permission Marketing. Consumer interest depends on broadly five factors, which are relevant message, monetary benefit, personal information entry costs, message processing costs, and privacy costs. This model further introduced the concept of permission intensity which can be viewed as the degree to which a consumer empowers a marketer.

According to McPherson (2001), millions of people use e-mail for communication of professional and personal nature. Advertisers consider e-mail as a perfect targeting tool which is capable of providing direct access to consumers. Among the different forms of online advertising, permission-based e-mail messages are considered to be the most trusted and least annoying medium of communication.

Thus a permission relationship begins with the consumer's explicit and active assent to receive commercial messages and always give consumers the power to unsubscribe at any time. It is said to be an effective tool of marketing because of the fact that prospect is more receptive to a message that has been requested in advance by him. It is not surprising that several marketing scholars worldwide have begun to indicate their acceptance of Permission Marketing as a viable concept now. Petty (2000) proposed the concept of permission, which includes "shift(ing) property rights for soliciting and selling information about consumers to the consumers themselves thereby reducing the marketing costs imposed upon consumers without their consent". Permission Marketing is a strategy, which uses e-mail and mobile technology, to send desired information to information seekers. It seeks permission from the consumer for providing information which is relevant to them. Permission Marketing is customer driven and therefore concentrates on selected customers who volunteers to be marketed (Nath and Gupta, 2006). Permission Marketing is a contest for people's consideration towards
marketer, unlike interruption marketing, where customers are interrupted to pay attention for unsolicited messages. Customers have finite amount of attention and money, therefore traditional interruption marketing approach just doesn't work anymore, giving a way to Permission Marketing. According to (Nath and Gupta, 2006) concept of Permission Marketing can be viewed as:

- **As a Strategy**
  Permission Marketing is a strategy, which utilizes e-mail and mobile technology, to send consumers information that they have agreed to receive. It seeks permission from the consumer to receive marketing messages. In short, customers volunteer to be marketed to.

- **As an Investment**
  Permission Marketing is an investment for both marketers and consumers. Acquiring permission from targeted customers is an investment of time. Permission Marketing is a long term investment where customers are expected to show loyalty and commitment.

- **As a Campaign**
  Permission Marketing is a campaign which helps in converting strangers into friends and friends into customers by providing useful information which is desired. Permission Marketing is of tremendous help in making the potentials as ambassadors of the brand.

- **As a Marketing Tool**
  Permission Marketing is a marketing tool for getting better click response, augmenting trust and brand affinity. It will focus on attraction and retention of customers by using the method of offer and acceptance or an agreement.

- **As a Technique**
  Permission Marketing is a technique that requires the approval of the customer. Permission Marketing aims to build customer group with high
interest level by sending certain types of marketing information only to those who have specifically requested it.

- **As a Communication Process**

Permission Marketing refers to a communications process, involving marketer and consumer, in which consumer gives "permission" to the marketer to participate and also provides at the same time feedback to express his/her satisfaction or dissatisfaction. In this communication process the message becomes the prime concern for both marketers as well as for the consumers of various products and services.

**1.4 History of Permission Marketing in India**

Indian consumers are lagging behind and majority of people were not aware of the concepts and use of permission Marketing (Nath and Gupta, 2009). Among various reasons identified, the main ones are:

1. Inertia on the part of state
2. insensitivity of business/ Industry sector
3. Paucity of expert faculty
4. Lack of initiative by business chambers or associations
5. Public ignorance and apathy

Besides being a constitutionally strong country, India did not visualize the importance of privacy. The fundamental rights as engrained in the Constitution of India come closest to protecting an individual’s privacy.

**1.4.1 Constitutional Provision**

The Constitution of 1950 does not expressly recognize the right to privacy. However, the Supreme Court first recognized in 1964, that there is a right of privacy as stated in Constitution under Article 21. The concept of right to privacy finds it’s genesis in the case of Gobind vs. State of Madhya Pradesh wherein the Supreme Court of India in it’s ruling, cited the preamble of the constitution of India which is designed to "assure the dignity of the individual" (Nath and Gupta, 2009).
1.4.2 Information Technology Act, 2000
In May 2000, the Indian Parliament passed the Information Technology Bill, now known as the Information Technology Act, 2000. The Act covers cyber and related information technology laws in India. Some of the issues which were addressed by the Information Technology Act, 2000 includes (a) any person who accesses, downloads, copies, extracts data without authorized means or permission is punishable, (b) publishing obscene information, misrepresentation, and breach of confidentiality and privacy, is punishable(www.mit.gov.in/context/information-technology-act).

1.4.3 The Personal Data Protection Bill, 2006
Upon the footprints of the foreign laws, this bill has been introduced in Rajya Sabha in 2006. The purpose of this bill is to provide protection of personal data and information of an individual collected for a particular purpose by organizations for commercial or other purposes. It enables an individual to claim compensation or damages due to disclosure of personal data or information without his consent. Provisions contained in this Act are relating to nature of data to be obtained for the specific purpose and the quantum of data to be obtained for that purpose (www.privacylaws.com).

1.4.4 Telecom Unsolicited Commercial Communications Regulations, 2007
Telecom Regulatory Authority of India (TRAI) had issued Telecom Unsolicited Commercial Communications Regulations in 2007. The regulation was enacted in order to develop a mechanism for curbing the unsolicited telemarketing calls. The primary objective of the National Do Not Call Registry was to curb unsolicited commercial communication. Under this regulation, unsolicited commercial communication has been defined as any message, through telecommunications service, which is transmitted for the purpose of informing about, or soliciting or promoting any commercial transaction in relation to goods, which a subscriber opts not to receive. The messages
which are not included in this context are messages relating to a service or financial transaction under a specific contract between the parties to such contract or messages relating to charities, national campaigns or natural calamities issued by government or agencies authorized by it or messages transmitted, on the directions of the Government or any authority or agency authorized by it, in the interest of the sovereignty and integrity of India.

The National Do Not Call Registry will be a data base having the list of all telephone numbers of the subscribers who do not want to receive unsolicited commercial information. After the establishment of National Do Not Call Registry, subscriber of landline or mobile who does not wish to receive unsolicited commercial information can register their telephone number with their telecom service provider for inclusion in the registry. The telemarketer will have to verify their calling telephone numbers list with the registry before making a call.

Also TRAI had extended its notification for Short Messaging Services (SMS) in 2009. The authority has mandated that all mobile operators using short messaging services have to prefix an identification tag before all application .This mandatory identification tag will thus leave a trail, making it easier to detect the sender. If the recipient of the message has registered with the National Do Not Call Registry, a complaint can be lodged. This is one of the major steps taken to curb unsolicited commercial communication through short messaging services (www.trai.gov.in/content/mpci.aspx).

1.5 History of Permission Marketing Abroad

Unsolicited e-mails have grown since the early 1990s as a major marketing trend. Unsolicited e-mails as a practice is so popular that it includes billion messages per day being sent by marketers thereby making a substantial breach in the privacy of users. Therefore in the late 1990’s, especially in the developed countries, privacy came into legislative framework in order to curb the practice of unsolicited bulk E-
mail, junk mail, or unsolicited commercial e-mail. These e-mails are generally practiced by marketers who send unwanted e-mail messages, frequently with commercial content, in large quantities to an indiscriminate set of recipients. In recent years unsolicited bulk e-mail, junk mail, or unsolicited commercial e-mail comprises of approximately 80% to 85% of all the e-mails in the world, in some cases it goes up as high as 95%(www.maawg.org/about/2007ReportMembership.pdf). Spam is prevalent and is widely used in e-mail usage because the transaction cost of electronic communications is radically less than any alternate form of communication. Spam continues to spread to new means of electronic communication as the gain (number of potential recipients) increases to levels where the cost/benefit becomes positive. As the concern for privacy had increased manifold, the governments all over the world institutionalized the privacy issues in context of pre – permission through new legislations and regulations. Many comprehensive laws were enacted at national and local levels. Many countries had enacted laws which emphasize on dealing with the issue of privacy and advocates the use of permission for their commercial engagements (www.privacylaws.com).

1.5.1 The United States (US)

In US while there had been a substantial interest in data privacy issues, efforts in this direction had been tremendous. The Privacy Act, 1974 regulates privacy of people. This act regulates specific personal data’s such as credit reports and bank records. In the year 2000, Children’s Online Privacy Protection Act. This act had made mandatory for marketers to secure parental control before collecting personal information from pre-teen surfers. It also forbids the release of such information if it has already been collected.
The Telephone Consumer Protection Act of 1991 was enacted in response to consumer complaints about the proliferation of intrusive telemarketing practices. This act also shows its concerns about the impact of such practices on consumer privacy.

1.5.2 Canada
Canada has various regulations at the federal and provincial level, which regulates government information handling and has also some sector specific legislations. The Canadian Direct Marketing Association had issued compulsory guidelines for marketers. Marketers needs to seek permissions before sending marketing e-mail, and to inform visitors to their websites as to what personal information are being collected, and how it will be used. Meanwhile the Standards Association has voluntary codes of practice for use by businesses. In the year 2000, “The Personal Information Protection and Electronic Documents Act” came into force. The Personal Information Protection and Electronic Documents Act governs how marketers collect, use and disclose personal information in the course of commercial business.

1.5.3 Japan
The Personal Information Protection Act was enacted in 2005. The act regulates rights and interests of individuals. This act constitutes and outlines privacy regulatory framework in detail. Although Japanese government prefers voluntary guidelines, this act had emerged as a guide for consumer privacy.

1.5.4 Australia
Australia enacted a Privacy Act quite early in 1988. The Act regulates the handling of personal information by federal government agencies and provides protection for the use of credit information. The act directs private sector as well as public sector. However, in March 1997, the government announced its preference for voluntary self regulation
because of concerns about the costs of compliance with legislatively based schemes.

The Privacy Act was amended in 2000 to cover the private sector. Schedule 3 of the Privacy Act sets out a significantly different set of privacy principles which apply to private sector organizations.

1.5.5 Israel
According to the Protection of Privacy Law 1981, direct mail practices should be regulated. The law promotes the usage of opt-out with the condition that sender must always provide information relating to the identity and location of the database used, in addition to the source of the address used. There must always be a notice of the recipient's right to have his or her address deleted from the database and the address to use for this purpose. The recipient of the direct mail is entitled to demand in writing that the address be removed from the database, or other source. The recipient of the direct mail is further entitled to demand in writing that the address not be passed on to any other person or category of persons.

1.5.6 The European Union (EU)
Europeans have been much more concerned about privacy issues than other people. Therefore most of the European countries have specific and strict laws to protect their citizens. European Union had adopted the Directive on Data Protection in 1998. The directive limits any collection and dissemination of personal data. In the EU a directive is a framework of law; each member may legislate a more restrictive law.

1.5.7 Denmark
Since June 2000 spamming has been forbidden under the Marketing Practices Act. Implementing Article13 of the new European Union Privacy and Electronic Communications Directive had modified to Denmark's legal data protection framework on spam. According to the
directive, people who have already given their address to companies can be spammed with advertisements for similar services, which the Marketing Practices Act 2000 had not previously allowed. The act also provides the scope to organizations for marketing and therefore if the consumer has, in connection with a purchase on the internet, forwarded his or her e-mail address to a company, the company is allowed to mail or spam the consumer's e-mail address. Also the act gives consumer the power to actively react to avoid spam e-mails.

1.5.8 Finland
Finland enacted the law relating to unsolicited commercial advertisements in 1999. This Finnish law forbids sending unsolicited commercial advertisements to private persons. The act recommends usage of opt-in for individual recipients, and opt-out for corporate recipients.

1.5.9 Italy
Italy had passed the privacy legislation under Distance Contracts Directive in 1999. As per this directive; e-mail is included with those means of communication which require prior consent from the recipient when used for advertising purposes by marketers. The act was very forceful as violations leads to penalty ranging from 500 to 5000 Euros.

1.5.10 Greece
Greece has enacted legislation regarding distance selling. According to Distance Selling Directive 1997, marketers requires prior consent of the recipient for automated calling systems, pre-recorded message, fax and e-mail.

1.5.11 Hungary
According to E-Commerce and Information Society Related Services Act, 2001, any marketer who practices advertising by e-mail must have the recipient's prior consent.
1.5.12 Honkong

In 2000, Unsolicited Electronic Messages Ordinance was enacted. The ordinance aims to combat the problem of spam and to strike the balance between respecting the rights of recipients and allow the development of legitimate electronic marketing. The various privacy laws which were enacted in various countries is summarized in table 1.1

<table>
<thead>
<tr>
<th>Country</th>
<th>Privacy Law</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>Privacy Act</td>
<td>1974</td>
</tr>
<tr>
<td></td>
<td>Children’s Online Privacy Protection Act</td>
<td>1998</td>
</tr>
<tr>
<td></td>
<td>Telephone Consumer Protection Act</td>
<td>1991</td>
</tr>
<tr>
<td>Europe</td>
<td>Directive on Data Protection</td>
<td>1998</td>
</tr>
<tr>
<td>Canada</td>
<td>The Personal Information Protection and Electronic Documents Act</td>
<td>1990</td>
</tr>
<tr>
<td>Japan</td>
<td>Personal Data Protection Act</td>
<td>2003</td>
</tr>
<tr>
<td>Australia</td>
<td>Privacy Act</td>
<td>1988</td>
</tr>
<tr>
<td></td>
<td>Information Privacy Act</td>
<td>2000</td>
</tr>
<tr>
<td></td>
<td>Information Act</td>
<td>2002</td>
</tr>
<tr>
<td>Israel</td>
<td>Protection of Privacy Law</td>
<td>1981</td>
</tr>
<tr>
<td>Denmark</td>
<td>Marketing Practices Act</td>
<td>2000</td>
</tr>
<tr>
<td>Finland</td>
<td>Personal Data Act</td>
<td>1999</td>
</tr>
<tr>
<td>Italy</td>
<td>Data Protection Act</td>
<td>1996</td>
</tr>
<tr>
<td>Greece</td>
<td>Directive 97</td>
<td>1997</td>
</tr>
<tr>
<td>Hungary</td>
<td>Act on E-Commerce and Information</td>
<td>2001</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Unsolicited Electronic Messages Ordinance (UEMO)</td>
<td>2007</td>
</tr>
<tr>
<td>India</td>
<td>Constitution of India</td>
<td>1964</td>
</tr>
<tr>
<td></td>
<td>Information Act</td>
<td>2000</td>
</tr>
<tr>
<td></td>
<td>Telecom Unsolicited Commercial Communications Regulations</td>
<td>2007</td>
</tr>
</tbody>
</table>

Table 1.1: Privacy Laws in Various Countries
1.6 Types of Permission

Permission by the customer for dissemination of message is the core underlying theme of this bizarre concept where consumer grants permission to interrupt. Permission of the customer may form different themes. In the context of Permission Marketing promotional offer by the organization is given to only those who had asked for. The permission which a marketer requires, is of basically three types which can be an opt out, opt in or double opt in as shown in figure 1.1. In this process, as the consumer moves from one level to the another, the level of trust increases, relationship improves and information is demanded not only for the stated products and services, but also for allied products and services.

![Diagram of Different Types of Permission]

Figure 1.1: Different Types of Permission

Opt-out mail marketing assumes a general permission to send marketing messages to everyone who has not explicitly stated that they do not want to receive such information.

An opt-out policy is where an existing customer receives electronic communications, usually on the basis of a prior relationship without providing express permission as shown in figure 1.2, which describes the opt out e-mail being sent by AT&T.
Once the information is granted by the customer, then opt in mail is sent when the user has subscribed for a newsletter or other e-mail marketing message by explicitly requesting for it as shown in figure 1.3 of opt in e-mail by Holiday Inn.
An opt-in policy requires a potential customer to self-select the services they wish to subscribe. The benefit of this approach is that a user, who has actively considered the offering before signing-up, is a more qualified potential customer.

Double opt-in e-mail becomes relevant and useful when a visitor subscribes to a message by the organization. The organization then sends a confirmation mail back to the visitor. A user has subscribed for a newsletter or other e-mail marketing messages by explicitly requesting it and confirming the e-mail address. This is usually done by responding to a confirmation e-mail sent to the e-mail address of the visitor. This eliminates the chance of exploitation of personal information which may happen when somebody submits somebody else's e-mail address without their knowledge and against their will, as shown in figure 1.4.

Figure 1.4: Double Opt in Marketing
(Source: http://mailchimp.blogs.com/blog/files/snagit-double-optin.gif)
1.7 Triangular view of Permission Marketing

Permission Marketing is a new concept and therefore is unconventional for marketers to practice. The foundation of Permission Marketing can be seen as a triangle of trust. In Permission Marketing, communication is of vital importance as the communication made in Permission Marketing must be anticipated, personally focused and relevant. These three elements defines the basic view of Permission Marketing based messages, whether e-mail based or short message service based, as shown in figure 1.5

![Figure 1.5: Triangular View of Permission Marketing](image)

These three angles are as follows:

- **Anticipated**: Consumers expect some benefits
- **Personal**: Messages must provide personalization
- **Relevant**: Messages must be relevant and useful

Permission Marketing is superior to interruption marketing in providing the message with relevance and personalization as shown in table 1.2.

<table>
<thead>
<tr>
<th>Angles</th>
<th>Interruption Marketing</th>
<th>Permission Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipated</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Personal</td>
<td>Not Usually</td>
<td>Yes</td>
</tr>
<tr>
<td>Relevant</td>
<td>Sometimes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Table 1.2: Angles in Permission Marketing (Source: Godin, 1999)*
1.8 Five Levels of Permission Marketing

The goal of permission marketer is to move consumers up the permission ladder, by transforming them from strangers to friends to customers, from customers to loyal customers. At every step in the ladder, trust grows, responsibility grows, and profit grows. There are five levels of permission. The highest level of permission is called the “Intravenous” level. The fifth and lowest is called the “Situation” level. The five levels in order of importance are shown in figure 1.6

![Permission Marketing Levels Diagram](Image)

Figure 1.6: Levels of Permission Marketing
(Source: Godin, 1999)

1.8.1 Intravenous Level

The highest level of permission is called ‘Intravenous’. This concept refers to the marketer who has achieved the permission from his customer in making the buying decisions on behalf of the consumer. By acting on the consumers behalf, the marketers took great care with the permission they were granted and built even more permission from their base. Generally consumers sign up for intravenous permission. It is the most powerful form of permission that many marketers will ever achieve as it provides a wide open channel between the busy consumer and the marketer who needs to reach him.
1.8.2 Points
The next level of permission is point. Points are formalized, scalable approach to attract and keep prospect’s attention. In points program there is flexibility with respect to reward consumers for paying attention or for buying something. Here a marketing technique is designed to attract the attention and loyalty of the consumers. As long as consumers don’t loose faith in the program, it will continue to prosper.

1.8.3 Personal Relationships
The third level of permission is personal relationship. Using the relationship, a marketer may interact with an individual in an enormously effective way to temporarily refocus his concentration or modify his behavior, but this approach is completely dependent on individuals.

1.8.4 Brand trust level
Much lower down the permission list is brand trust. This is the tried-and-true branding that is the mantra of most interruption marketers. Brand trust leads to brand extensions. When new product reinforces the brand trust of the original, the permission is improved. The short –term effect of this permission is leveraged into superior response rates. Permission marketers therefore enhances the level of permission by enhancing the brand trust.

1.8.5 Situation level
The lowest level of permission is situational permission. The consumer has initiated the particular interaction, so there is no question of appropriateness. It revolves around leveraging this large and generally untrained group of marketers. In this type of marketing it is important; that marketer must invest lot of time and money in training its front line on how to leverage the permission.

1.9 Models of Permission Marketing
The Permission Marketing is a series of interrelated steps which enables the marketers to have cordial relations with the customers. It is a gradual process
based on voluntary discussions, shared interests and an ever-increasing familiarity with marketer, their company and products. Permission Marketing is built around rational calculations by both parties i.e. consumers and marketers. From the perspective of customers, they money to spend on products, but they lack time to evaluate products and the trust in the marketer that make these products.

Therefore, the golden rule of Permission Marketing is “be selfish”. Consumers will grant permission to any marketer to know something and to get something. From marketer's perspective, they have to reward consumers, explicitly or implicitly, for paying attention to messages. On this premise exchange takes place in Permission Marketing and there exist various business models, which give the way how a marketer seeks permission of customer.

Model 1 (as shown in figure 1.7) can be characterized as direct relationship maintenance model. Consumers can sign on for sales alerts, trivial information can be sought and hence, there is no sophisticated targeting being conducted. Therefore in this model there is low permission intensity with minimal targeting.

Figure 1.7: Model 1 of Permission Marketing
(Source: Krishnamurthy, 2001)
Model 2 describes the concept of permission partnership. In this model consumer provides permission to portal or media site to get promotional messages. Intermediary alerts their partners who wish to send out promotional offers and also provides the information to the consumers as shown in figure 1.8.

![Figure 1.8: Model 2 of Permission Marketing](Source: Krishnamurthy, 2001)

Model 3 (as shown in figure 1.9) focuses on advertising market concept. A consumer provides an infomediary with detailed information about his or her preferences and interests. The infomediary then uses this information to identify advertisers. Consumers are rewarded to participate in the process and therefore it has high permission intensity.

![Figure 1.9: Model 3 of Permission Marketing](Source: Krishnamurthy, 2001)
Model 4 can be described as a permission pool. In this model, different consumers grant different firms with the permission to send them promotional offers. These firms pool the information provided by the consumer and then send promotional messages to larger pool of customers as shown in figure 1.10.

![Figure 1.10: Model 4 of Permission Marketing (Source: Krishnamurthy, 2001)](source)

1.10 Permission Marketing and AIDAS Model

The concept and the process of the Permission Marketing can be viewed as an extension of the AIDAS model. Permission Marketing follows the same aspect and procedure as adopted in AIDAS model shown in figure 1.11. Permission Marketing adopts the concurrent strategies to attract and to sustain customer. Organizations by using the key words and phrases like free, discount, rewards, points and incentives, attract the customer and divert their attention for the products or services.
When customer accepts the offer and provides the permission, then the relevant and useful information is delivered to the customer and the desire of the customer is kept alive by giving more incentives, after which, the product or service is delivered to the customer and further satisfaction is provided with more offers and latest reviews. The permission marketer will pursue the customer with the application of the IIMPI model as shown in table 1.3. The model IIMPI (Invitation, Interest, Maintaining Permission, Presentation, Incentives) will define how a potential customer is to be treated so that the permission can be sought and information can be provided.

<table>
<thead>
<tr>
<th>AIDAS</th>
<th>Permission Marketing</th>
<th>IIMPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attention</td>
<td>Offer the prospect an incentive to volunteer, to &quot;raise his hand&quot; by providing a prize, airline mileage points, a promise of free information</td>
<td>Invitation</td>
</tr>
<tr>
<td>Interest</td>
<td>Offer a curriculum over time, teaching the consumer about the company's product or service to build interest.</td>
<td>Interest</td>
</tr>
<tr>
<td>Desire</td>
<td>Reinforce the incentive to guarantee that the prospect maintains the permission.</td>
<td>Maintain Permission</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Action</td>
<td>Provide the product or service.</td>
<td>Presentation</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>Offer new incentives to get new permission from the consumer.</td>
<td>Incentives</td>
</tr>
</tbody>
</table>

| Table 1.3: AIDAS Model

1.11 Permission Marketing Practices

Permission Marketing is perceived as a promotional tool which is used for targeting those recipients who consented to receive commercial messages from the sender, either with the internet practices or with the advent of mobile communication practices. Permission relationships start with the consumer’s explicit and active consent to receive commercial messages and always give consumers the right to stop receiving messages at any time. Marketer can use Permission Marketing by integrating it with internet and mobile technology in general and with e-mail and SMS in particular. Permission Marketing Practices can be viewed as:

1.11.1 Permission Marketing With Internet as a Medium

Internet is rapidly changing traditional marketing methods by use of new technologies (Hoffman and Novak, 1996). Internet has brought many unique benefits to marketing; one of the important benefits is the interactivity of this method. By using internet as a marketing medium, marketer can gain advantage in terms of instant and assured response. Every organization, from profit to non-profit firms, producers to retailers, and hard-goods manufacturers to service providers, is found on internet, in various capacities. As marketers are engaged in effective use of Internet technologies, e-mail seems to be the most pervasive application of internet.
It is important to note that there are two ways of using e-mail marketing. One can either send unsolicited e-mail promotions to those who had not requested or send permitted e-mails to those who have requested. Unsolicited e-mail is often considered as spam. Sending spam e-mails will ruin organization’s reputation and brand value. The intelligent e-mail marketer does not adopt the practice of sending unsolicited e-mail. Permission based e-mail marketing, on the other hand, can be used in order to built valuable brands and for further strengthening relationships with customers.

1.11.2 Permission Marketing With Mobile as a Medium
Advertising of various products and services by using “Short Messaging Service” is gaining popularity almost in all industries. Short Messaging Service (SMS) marketing is a subset of electronic-marketing and is defined by Haghirian and Dickinger (2005) as using a wireless medium to provide consumers with personalized information that promotes goods, services and ideas. Permission based SMS marketing refers to the asking of consumers’ consent to receive commercial messages while giving the individual and opportunity to stop receiving them at any time (Tezinde et al., 2002).

The growth of the market, the profusion of new technologies and their convergence has opened many new opportunities for marketing promotions and advertisements. It was observed that more than 10 billion messages were being sent each month, making short messaging service the most popular mobile advertising method. Permission-based mobile advertising is considered to be the easiest way to tackle the privacy issue as it involves pre-permission.

1.12 Importance of Permission Marketing
Permission Marketing is gaining importance because it is useful for marketer as well as for the consumer. Permission Marketing is different than traditional forms of marketing as it is built on the foundation of customers receiving promotional messages of their interest and with their approval, where
consumers control the entire process right from the beginning to the end. Marketers in return will get advantage in form of targeted, information seeking and using consumers. At the same time, the technique of Permission Marketing proves to be cost effective and easier in operations. Marketers therefore prefer this marketing technique of giving information to select but response oriented group of customers. Permission Marketing is important for consumers and marketer as it provides advantages to both customers and marketer as shown in table 1.4

<table>
<thead>
<tr>
<th>Consumer Advantages</th>
<th>Marketer Advantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Messages are anticipated, personalized and relevant</td>
<td>Cost of technology and infrastructure is low and feedback is instantaneous</td>
</tr>
<tr>
<td>Has ability to opt-out or unsubscribe at any time</td>
<td>Customer loyalty and pass-along marketing</td>
</tr>
<tr>
<td>Privacy is preserved</td>
<td>Marketers can segment their audience better by knowing how many and the types of people who visit their sites</td>
</tr>
</tbody>
</table>

Table 1.4: Advantages of Permission Marketing

1.13 Spam or Unsolicited Electronic Messages

E-mail has transformed the way, organization conduct their business. E-mail has also exponentially changed the relationship between consumer and suppliers of products and services. Although various features of e-mail like cost efficiency and mass reach make it a viable communication medium for the marketers, the issues of spam makes a jolt in the process of complete adoption of this bizarre technology based concept. Unsolicited electronic messages or spam has become a major thrust area in reference of internet marketing. Spam, allied as unsolicited bulk e-mail or unsolicited commercial e-mail is the practice of sending unwanted e-mail messages, with commercial
content, in large quantities to an indiscriminate set of recipients, who had not explicitly given the permission to do so as shown in figure 1.12. Spamming as an activity is rising at a rapid rate since sending a flood of mails is uncomplicated and very economical. In this context, spam will be held responsible for the negative perception of the brand. Spam or unsolicited bulk e-mail can only be minimized by a combination of legal as well as social measures taken together in formal and non-formal manner including consumer education and adoption of ethical practices by marketers. Spam has been viewed in negative connotation as it can be the cause of phishing attack, hacking of banking accounts or even in some cases attacks on confidential data.

Figure 1.12: E-mail showing Spam Messages
(Source: www.globalgold.co.uk/images/spam2.gif)