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## Individualization and Argument Quality of location-based mobile messages: An Application of elaboration likelihood model

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**Background and Purpose.** Because of location-sensing ability of mobile devices, enabled by technologies such as global positioning system (GPS), global system for mobile communications (CSM), Bluetooth, Wi-Fi, and radio-frequency identification (RFID), location-based mobile marketing has become a critical tool to influence consumer decision-making (Berman, 2016). By 2018, over 3,500 retail stores are expected to implement location-based technology (Ratcliff, 2015). Location-based mobile messaging (LMM) benefits retailers by delivering tailored messages to customers at right time at right locations to increase customer engagement in store, point-of-purchase sales, unplanned purchases, and mobile coupon redemption (Danaher, Smith, Ranasinghe, & Danaher, 2015; Gazley, Hunt, & McLaren, 2015). However, research on customization of LMM employing sound theoretical frameworks is still in its infancy, making it difficult for retailers and scholars to predict consumer reactions. The purpose of this study is to propose the *Elaboration Likelihood Model* (ELM; Petty & Cacioppo, 1986) as useful theoretical frameworks to predict the effects of LMM with varying levels of individualization and message strength on consumers' attitudinal and behavioral responses.

**Theoretical Framework.** The ELM proposes two information processing methods referred to as the *central route* and *peripheral route* of information processing. When individuals process information through the central route, they engage in the elaboration of issue-relevant thoughts, and their resultant attitude changes will be stronger. On the other hand, when individuals use the peripheral route, they rely on heuristic cues and attitudinal changes are less likely to be stable (Bhattacharjee & Sanford, 2006). Individuals' involvement and ability are known to affect their motivation to elaborate (i.e., engage in the central route of information processing) (Petty & Cacioppo, 1986). The ELM provides theoretical insights by which the effects of the LMM's individualization and argument quality levels on consumer responses can be understood.

LMM messages may be sent to consumers in the store based on their in-store location data (e.g., which aisle they are passing by), and these messages may be individualized in varying degrees of *customized* (i.e., messages tailored by consumers' voluntary input of their wants), *personalized* (i.e., messages tailored by retailer-supplied input such as consumers' purchase history, search history, and location information), or *randomized* (i.e., messages randomly sent to consumers based merely on the consumers' location) messages. The *ELM* proposes that individuals with a higher issue involvement (Petty & Cacioppo, 1984) will engage in higher elaboration of issue-relevant thoughts. Therefore, consumers are expected to pay the greatest attention to a customized LMM (i.e., highest involvement), followed by a personalized LMM and a randomized LMM. In turn, consumers most likely to scrutinize and be influenced by the LMM's argument quality (i.e., the persuasive strength of information in a message, Bhattacharjee & Sanford, 2006) when it is customized, rather than personalized or randomized.

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On the other hand, for a randomized LMM, peripheral cues rather than the argument quality of the LMM may have a greater influence on the consumer's response.

**Propositions.** Based on the aforementioned theoretical framework, the following propositions are posited to guide future research on the interaction effects of the individualization and argument quality of a LMM:

Proposition 1: The higher the level of the LMM's individualization, the greater the likelihood of elaboration on the argument quality of the message.

Proposition 2: The higher the level of the LMM's individualization, the greater the effect of the argument quality of the message on consumers' responses to the message (e.g., perceived relevance, perceived intrusiveness, attitude toward the message) and responses to the message sender (e.g., attitude toward the retailer, purchase intent)

Proposition 3: The lower the level of the LMM's individualization, the greater the effect of non-issue relevant peripheral cues of the message (e.g., creative aspects of the message such as font type, size, and color, background color and image) on consumers' responses to the message or the message sender.

**Implications.** The proposed theoretical approach to examine LMM effectiveness provides valuable implications for both retailers and researchers. Firstly, this approach will provide new insights for retailers to leverage the efficiency of LMM strategies enabling the retailers to tailor mobile messages context properly. Secondly, this approach addresses the need for theoretical perspectives for researchers to draw a blueprint of consumer value perceptions toward the *LMM*. Lastly, examining these propositions can stimulate a stream of research that addresses related issues such as consumer control of mobile messages, consumer experiences and service quality associated with retailers' mobile message individualization strategies, and effectiveness of the accessibility to varying types of product or promotion information.

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