

# The Effect of Digital Marketing Implementation through Location Based Advertising on Customer's Purchase Intention

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Received: 29<sup>th</sup> March 2018/ Revised: 15<sup>th</sup> May 2018/ Accepted: 21<sup>st</sup> May 2018

**How to Cite:** Wibisurya, I. (2018). The Effect of Digital Marketing Implementation through Location Based Advertising on Customer's Purchase Intention. *Binus Business Review*, 9(2), 153-161. <https://doi.org/10.21512/bbr.v9i2.4618>

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## ABSTRACT

There were two objectives of the research, those were to find out the effects of Location Based Advertising (LBA) on customer's attitude and purchase intention. Furthermore, this research sought the enhancement effect of timing in several features on the customer's attitude toward LBA and purchase intention. The features used were the content appeal, interactivity, control, attitude toward advertising in general, customization, and intrusiveness. This research was a conclusive study with descriptive design. Data collection was done by offline survey with 160 respondents who had ever received LBA in two different conditions. Meanwhile, data analysis was conducted using Structural Equation Modelling (SEM). The research shows several results. First, content appeal, control, and customization have significant and positive effects on attitude toward LBA. Second, attitude toward LBA has significant and positive effect on customer's purchase intention. Third, timing enhances the positive effect of customization on attitude toward LBA. Last, timing also enhances the positive effect of attitude toward LBA on customer's purchase intention.

**Keywords:** digital marketing, Location Based Advertising (LBA), purchase intention

## INTRODUCTION

Amidst fierce competition among brands and the rapid change of customer behavior due to technology advancement, it is necessary for marketers to seek a way of communicating with customers. One of the ways used is Integrated Marketing Communication (IMC). It is a process of business which helps companies to identify what proper and effective methods are to communicate and build a good relationship with customers and stakeholders. According to Don Schultz in Belch and Belch (2015), IMC is defined as a strategic business process. It is used to plan, build, execute, and evaluate brand communication program which has been coordinated, measured, and convinced to customers, employees, business partners, and other relevant internal or external targets of a company

from time to time. Marketing communication can be costly, especially on traditional advertising media like television, radio, and customer's responses against them are decreasing. With technology advancement, nontraditional media presence such as mobile phone and Internet are starting to be considered by companies to seek for other alternative channels to get higher exposure level (Belch & Belch, 2015).

The mobile phone is a communication device that almost all people have. According to the report from GSM Association (GSMA) (GSMA Intelligence, 2017), at the end of 2016, 65% of the world populations already had subscription toward mobile devices with the growth of 4,2% each year. Moreover, the vast widespread of technology on mobile devices allows marketers to make a breakthrough strategy in the competition of product advertising (Kang, Hur, & Son 2014).

Mobile advertising is the delivery of messages with personal information to a specific target using mobile devices as the promotion medium (Ünal, Erciş, & Keser, 2011). In another context, Mobile Marketing Association (MMA) (2017) defined mobile advertising as a form of advertisement communicated to customers using the handset. It is different from traditional advertising media in terms of speed, easiness, cost, and effectivity

One of the types of mobile advertising is Short Messaging Services (SMS). Even though SMS is the most traditional way, it is still used due to the efficient cost. SMS allows marketers to rely on messages to mass targets in a short time (Beneke, Cumming, Stevens, & Versfeld 2010). Although other messaging applications are emerging, SMS is still favorable for advertising media due to its high reading ratio up to 99%. Around 90% of them are read under three minutes upon received (Chowdhury, Islam, & Rana 2016).

SMS advertising is the very first form of mobile advertising conducted by companies by sending business related information to customers through the mobile phone or other mobile communication devices (Varnali, 2014). It allows advertisers to conduct real-time communication with customers anywhere and anytime (Tsang, Ho, & Liang 2004). It can increase customer's exposure to a specific brand and raise brand awareness and equity (Dix, Jamieson, & Shimul 2016). The conveyed information through SMS advertising is not only limited to raise brand awareness but is also effective to give information related to a specific promotion (Fill, 2013). However, the customers may also be irritated by the presence of intrusiveness in SMS advertising (Gazley, Hunt, & McLaren 2015). This factor creates a negative response from the customers and affects their attitude toward the advertisement. Gazley *et al.* (2015) also found out by delivering relevant content with customer's situation and preferences. The customer might feel the benefits from the message and alter his/her attitude toward a better one.

Nowadays, technology advancement allows SMS advertising containing promotion of a product to be received by mobile phone users at a specific location. This way, the customer will receive promotions which near the users, so that the given information is more relevant and accurate. This is the form of adjustment to the inconvenience felt by customers for receiving SMS advertising in a random place and time, or its content that is not related to customer's needs (Varnali, 2014). This service is generally named as Location Based Services (LBS). Duri *et al.* (2001) in Yoon, Kim, & Connolly (2017) defined LBS as a service which uses someone's current location to perform the service. Media Rating Council (MRC) (2017) described several methods to track user's current or latest position using Global Positioning System (GPS), Wi-Fi, cell antenna trilateration, IP address, and behavioral analysis. With technology, LBS is applied into Location Based Advertising (LBA). LBA is defined as the controlled

and designed information by marketers to a location where the users access the advertising medium (Hühn *et al.*, 2017). This advertising can enhance the effectiveness of the advertisement itself and effects on customer's attitude and purchase intention. This is the importance of LBA in affecting customer's purchase decision (Gazley *et al.*, 2015).

Many researchers have long studied the attitude of customer toward mobile advertising. Attitude toward advertising is defined as, "Customer's evaluation of advertisement positively or negatively" (Buzynna, Andriy, & Andreea, 2014). Customers that have the positive attitude on SMS advertising tend to have the higher willingness for receiving the advertisements (Ofosu, Gyanewa, & Boadi, 2013). Tsang *et al.* (2004) suggested that entertainment, informativeness, intrusiveness, and credibility had the relationship with customer's attitude. Meanwhile, Bauer, Reichardt, Barnes, and Neumann (2005) stated that the customer's attitude toward advertising in general, perceived utility (information, entertainment, social), perceived risk (privacy, security), customer's knowledge against technology, and social norms were the factors affecting attitude toward mobile advertising. Gazley *et al.* (2015) also added customization and permission to the factors above.

The content appeal is the tendency of an advertisement to contain up-to-date information and easiness of access (Humbani, Kotzé, & Jordaan, 2015). An advertisement must include attractive ideas as a value addition to get the receiver's attention (Ünal *et al.*, 2011). Chen and Hsieh (2012) stated that there were three main elements in SMS advertising. First, marketers had to build a concise message and contain valuable information to the customers by using simple and understandable language. Second, the message had to be entertaining or attractive using humor or surprise. Third, the message had to be personalized to ensure relevancy to customer's needs and preferences. Moreover, Van der Walldt, Rebello, and Brown (2009) showed that attractive contents had a positive effect of SMS advertising on the attitude of its receivers. Therefore, the first hypothesis is as follows.

H1: The more attractive an LBA is, the more positive customer's attitude toward LBA will be.

The interactivity of an SMS is defined as two-way communication between marketer and potential customer (Beneke *et al.*, 2010). Both Van Der Walldt *et al.* (2009) and Drossos, Giaglis, Lekakos, Kokkinaki, and Stavradi (2007) showed a more positive attitude of customers in receiving an SMS advertisement that had two-way interaction. Thus, the second hypothesis is:

H2: The more interactive an LBA is, the more positive customer's attitude toward LBA will be.

Moreover, Ünal *et al.* (2011) defined control in

permission-based marketing as customer's willingness to receive SMS advertisement. Then, it might affect his/her attitude toward SMS advertisement. If customers have agreed to receive information from SMS advertisement, there is a high tendency they are willing to participate in that marketing program actively. Gazley *et al.*, (2015) suggested that control or permission was not limited to the willingness to receive SMS only but also customer's willingness to provide personal information to be sent to the advertisers for personalized messages. Mobile advertisements that are relayed with customer's agreement will result in higher user acceptance compared to without agreement (Chen & Hsieh, 2012). The third hypothesis is as follows.

H3: The more control a customer is perceived to have on LBA, the more positive customer's attitude toward LBA will be.

The attitude of a person toward advertising in general determines his attitude toward mobile advertising and SMS advertisement specifically (Beneke *et al.*, 2010). The like or dislike toward an advertisement can be based on previous experiences. Drossos *et al.* (2007) found that a person's positive attitude toward advertising in general has a positive effect on attitude toward SMS advertisement. Based on this, the fourth hypothesis is shown.

H4: The more positive a customer's attitude toward advertising in general is, the more positive customer's attitude toward LBA will be.

The importance of interactive advertising is the ability to make customer receive the conveyed and personalized messages (Li, 2016). The words for every customer should be unique because each person wishes to receive different contents (Bright, 2014). A customized message does not only allow the customer to receive the message based on preferences (Li, 2016) but also to receive it at the right time (Bauer & Lasinger, 2014). This message includes special product offers or product recommendations that are based on customer's preferences and personal information. Lee, Kim, and Sundar (2015) agreed that customers who were given customized advertisement had better perceptions, better attitudes, and higher intention to visit the store. Thus, the fifth hypothesis is:

H5: The more customized an LBA is, the more positive customer's attitude toward LBA will be.

Then, intrusiveness is the disturbance occurred to receiver due to the inaccuracy of message delivery regarding content, timing, or frequency. It also disturbs other activities (Ünal *et al.*, 2011). Intrusiveness is highly related to negative action which makes customers tend to avoid (Martí Parreño, Sanz-Blas, Ruiz-Mafé, & Aldás-Manzano, 2013). Even if the

content is already relevant, customers are still feeling disturbed by the frequency of the message delivered. Thus, the delivery intensity needs to be organized (Lee *et al.*, 2015). Intrusive messages will only make customer rejects its presence even with prior option (Shan, Chin, Sulaiman, & Muharam, 2016). Gazley *et al.* (2015) suggested that intrusiveness became special attention because it can bring negative effect to customer's attitude. Then, the sixth hypothesis is:

H6: The more intrusive an LBA is, the more negative customer's attitude toward LBA will be.

Purchase intention is the motivation to purchase a product with specific characteristic or brand as consideration. The intention may be formed from several processes such as motivation, perception, behavior shaping, and integration (Belch & Belch, 2015). Gazley *et al.* (2015) described that positive attitude toward LBA formed from various factors could enhance the customer's purchase intention. Therefore, the seventh hypothesis is as follows.

H7: The more positive customer's attitude toward LBA is, the more positive customer's purchase intention will be.

Gazley *et al.* (2015) saw many customers felt SMS advertisement as intrusive. Furthermore, they found that SMS advertisement delivered at the point of purchase deemed by customers as an infringement against their privacy. They felt that someone was watching over them. This resulted in greater intrusiveness effect. Similarly, Tsang *et al.* (2004) stated that to overcome the intrusive perception and privacy infringement, it was essential to apply for permission in mobile advertising. The eighth hypothesis is:

H8: The negative effect of intrusiveness on attitude toward LBA will be stronger with timing moderation at the point of purchase.

Lee *et al.* (2015) stated that customers who received customized messages would have better perceptions. If marketers can deliver specific messages to customer's preferences in the location where he/she is at the point of purchase, it will become an advanced form of customized messages (Bauer *et al.*, 2005). Then, the ninth hypothesis is:

H9: The positive effect of customization on attitude toward LBA will be stronger with timing moderation at the point of purchase.

Lastly, timing is a crucial element in advertising because it can raise brand recall, make attention at point of purchase, enhance purchase intention, and others. Advertisements that are delivered at the right timing may induce impulsive purchase and may alter a person's shopping justification factor at point of

purchase (Sunaga & Ishii, 2014). Gazley *et al.* (2015) suggested that by using LBA, SMS advertisements which were delivered to the customers at point of purchase will result in more positive attitude and higher purchase intention. The tenth hypothesis is shown as:

H10: The positive attitude toward location-based advertising to purchase intention will be stronger with timing moderation at point of purchase.

There are several objectives in this research. First, it is to find out whether mobile advertising features (content appeal, interactivity, control, attitude toward advertising in general, customization, and intrusiveness) have a direct impact on customer's attitude toward LBA. Second, it is to find out whether customer's attitude toward LBA has an impact on customer's purchase intention. Third, it also seeks the enhancement effect of timing moderation on customization and intrusiveness to attitude toward LBA. Last, it is to see whether there is an enhancement of attitude toward LBA on purchase intention after being moderated by timing.

## METHODS

This research adopts the conceptual model used by Gazley *et al.* (2015). They analyzed the effect of mobile LBA features toward attitude and purchase intention with several variables being moderated by timing. Another model that is used comes from Humbani *et al.* (2015). They predicted the possible features that might affect customer's attitude toward an SMS advertising. Even though it is limited to attitude only, it contains several features that are not yet adapted into Gazley's study. Therefore, the researcher uses the primary form of Gazley's model with the addition of some of Humbani's variables. Even though it is limited to attitude only, it contains several features that are not adapted into Gazley's study. Therefore, the researcher uses the primary form of Gazley's model with the addition of some of Humbani's variables. The conceptual model can be seen in Figure 1.

This research is a conclusive study with descriptive design. It is conducted to describe a particular phenomenon and test the hypothesis. To test the hypothesis, questionnaires are used. Prior to filling the questionnaire, the respondents are briefed about LBA and its differences with normal SMS advertising. Respondents are asked his/her experiences in receiving LBA. Respondents who have received LBA at both points of purchase and not at the point of purchase are fit to fill the questionnaire. In the first part of the questionnaire, respondents are asked to fill the statements relating to general parts related to the content appeal, interactivity, control, and attitude toward advertising in general. In the next part, respondents are asked about statements in their experience of receiving LBA which is not at point of purchase. The last part, respondents are asked about

the statements in their experience of receiving LBA at point of purchase. All constructs are measured using Likert-type scales.

The sampling technique is conducted using non-probability sampling under purposive sampling method. Samples are obtained from respondents who are mainly master degree students with various gender, age, the range of income, frequency in visiting mall/store, and SMS advertisement exposure. The first 30 samples are used as a pretest to determine the validity and reliability of constructs. After the validity and reliability of the question items are fulfilled, the sampling goes to the real data collection for analysis purpose. The real data collection results in 160 samples.

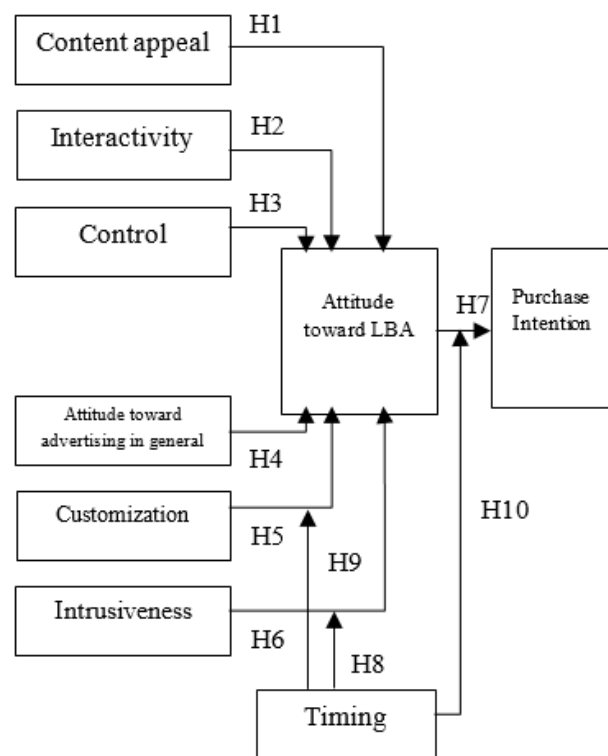


Figure 1 Conceptual Model

## RESULTS AND DISCUSSIONS

This research involves 160 samples using questionnaire. The respondents are those who have received LBA at both points of purchase and not at the point of purchase. The profile of respondents is displayed in Table 1.

The 160 data are composed of 54% male and 46% female. It shows a well-distributed sample. The age ranges from 21 to above 36 years old. All of them are already independent with their purchase decisions. All of 160 samples already pass data cleaning. The inappropriate and incomplete samples are deleted so that the samples can be analyzed. Structural Equation Modelling (SEM) using Lisrel software is utilized to

analyze the result. The result of model fitness test is displayed in Table 2.

Table 1 Respondents Profile

No	Criteria	Category	Count	Result
1	Gender	Male	86	53,75%
		Female	74	46,25%
		21 – 24	68	42,5%
		25 – 28	53	33,13%
2	Age	29 – 32	16	10,00%
		33 – 36	10	6,25%
		>36	13	8,12%
		<1 M	2	1,25%
		1–2,5 M	33	20,63%
		2,5–5 M	60	37,5%
3	Monthly expense (IDR)	5–7,5 M	37	23,12%
		7,5–10 M	16	10,00%
		>10 M	12	7,50%
		1	8	5,00%
		2 – 3	62	38,75%
4	Monthly mall visit frequency	4 – 5	54	33,75%
		>5	36	22,5%
		0 – 1	97	60,63%
5	Monthly utilization of SMS advertising	2 – 3	47	29,37%
		4 – 5	8	5,00%
		>5	8	5,00%

As Table 2 illustrates, some of the results fall in poor and marginal fit. However, some criteria also show that the model is in a good fit with the taken data. Following the model fitness test, the model is analyzed for significances of variables. The results are displayed in Table 3.

The content appeal, control, and customization have a positive effect on attitude toward location-based advertising. This confirms H1, H3, and H5 are accepted. Meanwhile, attitude toward advertising in general and intrusiveness have the insignificant effect to attitude toward LBA. This result shows that H4 and H6 are rejected.

Moreover, interactivity has no significant effect. It shows opposite reaction to the predicted result. Thus, H2 is rejected. Then, attitude gives positive and significant effect to purchase intention, so H7 is accepted.

Table 2 Model Fitness Test Result

GOFI	Criteria	Result			
		Without Moderation		With Moderation	
p-value	≥ 0,05	0,00		0,00	
RMSEA	≤ 0,08	0,12	Poor Fit	0,11	Poor Fit
NFI	≥ 0,90	0,82	Marginal Fit	0,87	Marginal Fit
NNFI	≥ 0,90	0,85	Marginal Fit	0,89	Marginal Fit
RFI	≥ 0,90	0,80	Marginal Fit	0,85	Marginal Fit
CFI	≥ 0,90	0,87	Marginal Fit	0,91	Good Fit
IFI	≥ 0,90	0,87	Marginal Fit	0,91	Good Fit
Standardized RMR	≤ 0,05	0,083	Poor Fit	0,076	Poor Fit
GFI	≥ 0,90	0,65	Poor Fit	0,67	Poor Fit
AGFI	≥ 0,90	0,58	Poor Fit	0,60	Poor Fit

Table 3 Significance of Variables

	Relationship	T-value	Result
H1	Content appeal → Attitude toward LBA	3,83	Significant
			Hypothesis accepted
H2	Interactivity → Attitude toward LBA	-1,34	Insignificant, opposite effect
			Hypothesis rejected
H3	Control → Attitude toward LBA	2,10	Significant
			Hypothesis accepted
H4	Attitude toward advertising in general → Attitude toward LBA	1,09	Insignificant
			Hypothesis rejected
H5	Customization → Attitude toward LBA	6,75	Significant
			Hypothesis accepted
H6	Intrusiveness → Attitude toward LBA	-1,53	Insignificant
			Hypothesis rejected
H7	Attitude toward LBA → Purchase intention	10,08	Significant
			Hypothesis accepted

Moreover, the moderating variable only enhances several variables. It increases the effect of the customization to attitude toward LBA and the attitude toward LBA to customers' purchase intention. This results in H9 and H10 to be accepted. Meanwhile, H8 is rejected. Table 4 shows the result.

Table 4 Moderating Variable Effect

Effect	Standardized Factor Loading		Result
	Without Moderation	With Moderation	
H8 Timing x Intrusiveness → Attitude toward LBA	-0,30	-0,11	No enhancement Hypothesis rejected
H9 Timing x Customization → Attitude toward LBA	0,58	0,67	Enhancement Hypothesis accepted
H10 Timing x Attitude toward LBA → Purchase Intention	0,83	0,89	Enhancement Hypothesis accepted

Based on the result, several advertising features have significant effect on the customer's attitude toward LBA. Content appeal adds attractive ideas as additional value to a SMS advertisement. Thus, the receivers are interested in receiving it (Ünal *et al.*, 2011). This result supports the result of Van Der Waldt *et al.* (2009). They showed that there was a positive impact between SMS advertising with attractive content and the user's attitude.

This research also finds that control has an impact on customer's attitude toward LBA. Mobile advertisements that are delivered upon receiver's approval create higher user acceptance than those without (Chen & Hsieh, 2012). Moreover, Tsang *et al.* (2004) agreed that customers who had a negative attitude toward SMS advertising might turn over with the prior permission. Control is an expected feature by the customers to control the incoming messages or their data to be sent to the companies. However, most countries are still not ready to conduct the implementation of permission-based advertising. The mobile phone providers need to adopt the technology from advanced countries for this feature to be established.

Furthermore, the customized message is found to affect customer's attitude. Every user wishes to receive personalized content that differs from the others (Bright, 2014). This result is in line with Lee *et al.* (2015). They also suggested that customers that were given customized message had better perceptions and attitude, and higher intentions to visit the store.

Meanwhile, the result of interactivity effect in this research is not as expected. To make personalized messages that are relevant to customer's preferences, the advertisers need to find a way to investigate the customers' liking or choices. One of the ways to investigate useful information is by interacting with the customer (Chen & Hsieh, 2012). The negative effect of interactivity can be related with intrusiveness. The interactive process is deemed disturbing by the customers as they only want the right content like the important information to be delivered to them. The customers are reluctant to spend their time to give replies or seeing specific contents through embedded links. The delivery of messages which are not appropriate regarding content, timing, or frequency may disturb the receiver's activities (Ünal *et al.*, 2011). However, the interactivity can weaken the intrusiveness by giving incentives. The request for responses or link access by the customer can be accompanied by attaching incentives in the form of shopping vouchers, discounts, or free gifts. That way, the customers will not feel reluctant to give the response or do something for the company.

Moreover, the researcher sees that attitude toward advertising in general does not have enough significant effect to attitude toward LBA. The result is opposite of several previous researchers. Beneke *et al.* (2010) agreed that the attitude of a person toward advertising in general would determine his/her attitude toward mobile advertising and SMS advertising specifically. The customer's innovativeness factor helped to change the effect. This described the segment of customers who were eager and interested in new things and had a good perception. Then, Jin and Lutz (2013) also stated that this like/dislike advertising could be constructed from previous personal perceived experiences. Van Der Waldt *et al.* (2009) suggested that several things could affect or alter the customer's belief system. Moreover, Kim and Han (2014) stated how perceived incentives could alter the customers' attitude toward a better a brand using SMS advertisements with an incentive in the form of financial benefits.

Attitude toward advertising in general also has the insignificant impact on attitude toward LBA. However, companies must be aware that there are different segments of people that have like/dislike tendency toward advertisement. Companies need to give different treatments for those different segments. For example, millennials have a more positive tendency to look for advertisements with financial benefits. For this kind of segment, companies can optimize it by sending advertisements containing promotions, discounts, and cash back. For the different segment that is more skeptical against advertisements in the form of promotions such as Generation X will be more interested in advertisements having valuable information that can raise curiosity. Beneke *et al.* (2010) explained that customer's innovativeness factor helps to create a good perception for customers who are eager and interested in new things. The right

content for the right segment can attract the customer's attention for the message.

Normally, customers will feel irritated to message deliveries which are not appropriate regarding content, timing, or frequency. It can disturb the receiver's activities (Unal *et al.*, 2011). Even if the content has been right, frequent message delivery will create a disturbance on receiver's activities, so that the frequency is important to be adjusted (Lee *et al.*, 2015). Spamming messages will also result in negative responses from the customers (Shan *et al.*, 2016). Ratihayu, Agustina, Baihaqi, and Raharso (2008) in Indonesian context of SMS advertising stated that most Indonesian customers wished to control incoming SMS advertising.

However, in this research, the result is different. The intrusiveness is not significant enough to have the impact on attitude toward LBA. Most of the mobile providers in Indonesia send information using push-based-approach. The receiver does not have the choice but to receive the message. This creates a practice that receiving SMS advertising is normal and cannot be avoided. Thus, making intrusiveness factor becomes weak. This also explains the previous factor why attitude toward advertising in general does not result in attitude toward LBA. For the receivers who dislike the advertisements tend to delete the message as soon as they receive it without reading/opening it.

Even though intrusiveness does not have a significant effect, it can be an important factor in the future. Companies need to be careful in delivering SMS advertisement as it can help to deliver values to customers and can irritate them as well. Irritated customers may choose not to read the message at all or even find a way to block the incoming message. Companies need to develop a more advanced technology to send the message without making the customer feels it intrusive or privacy breaching. A more accurate LBA method is needed by companies to send personalized messages that are more deemed beneficial rather than intrusive.

A customized message does not only allow the customer to receive a message based on preferences (Li, 2016) but also to receive it at the right time (Bauer & Lasinger, 2014). This research shows a similar result. The timing enhances the positive impact that customization has on attitude toward LBA. The presence of LBA makes customized messages boost the personalized effect. It delivers the message at the right time and allows companies to adjust to customer's preferences more accurately. This helps the customer in the decision-making process by getting rid of disruptions, and increasing relevancy (Gazley *et al.*, 2015).

However, after being boosted by timing, intrusiveness does not show any significant impact. At least, the research shows that timing can weaken the intrusiveness effect that the customers feel. Timing becomes a crucial element. Customers who have limited time wish to receive SMS advertisement with the right content at the right moment. On the

other hand, SMS advertisement which is delivered at the unright timing is deemed disturbing and makes customer rejects its presence (Shan *et al.*, 2016).

Moreover, the researcher agrees that timing boosts attitude effect on purchase intention. Timing is a key element in advertising because it can increase brand recall, make attention during the point of purchase, and enhance purchase intention. This result is in line with several researchers. An advertisement which is delivered at the right time may induce impulsive purchase and alter purchase justification factor at the point of purchase (Sunaga & Ishii, 2014). Gazley *et al.* (2015) saw that by using LBA, SMS advertisements which were delivered at the right timing and the point of purchase resulted in a more positive attitude and higher purchase intention. Moreover, Zaubermaier and Lynch (2005) suggested that upon near decision making, the purchase that was interesting in the past might become uninteresting anymore with sudden induction. It made the customer reconsider and seek better alternatives. This reconsideration came from the belief that postponing purchase and rethinking could result in a better offer.

From this research, the researcher finds out that the most contributing factor to customer's attitude toward LBA is customization moderated by timing. By knowing customer's likings and preferences, the companies can send personalized messages. Moreover, if that personalized message is delivered at the point of purchase, it can make the customer's attitude stronger for that message. This can also make the customer feels like a special person and help to speed up the purchase decision process by looking at the customer's choice for a brand. On the other hand, sending a personalized message at the point of purchase for the customer whose loyalty in other brands can help to make him/her reconsider the purchase decision by seeing new alternatives from the sudden offerings.

## CONCLUSIONS

This research concludes that there are several factors of SMS advertising that have major contribution to affect customers' attitude toward LBA. Creating positive customers' attitude toward LBA can affect their purchase decisions and intentions to buy. The factors that have great impacts are a content appeal, control, and customization. Timing also plays an important role in creating a more customized message to alter customers' attitude and enhance purchase intention. Meanwhile, interactivity factor has a different effect than predicted. The attitude toward advertising in general and intrusiveness factors do not have a significant effect. There is a possible opportunity that companies can do to obtain full advantage of them.

Although sampling using the questionnaire in this research can collect responses from respondents based on their past experience with LBA messages, it does not represent the actual emotional responses when the questionnaire is filled with the actual

condition. The insights that arise may differ from the actual established condition. Moreover, the data are not enough to reflect the actual population. For future research, the researcher suggests using a more heterogeneous data. SMS advertising is a popular topic related to LBA. However, there is still much mobile advertising beside SMS advertising that can be elaborated with LBA. It is recommended to explore the different forms of mobile advertising.

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