Chapter 8

Location–Aware Mobile Media and Advertising: A Chinese Case

Mei Wu
University of Macau, China

Qi Yao
University of Macau, China

ABSTRACT

Location-Based Services (LBS) that are combined with ubiquitous smartphones usher in a new form of information propagation: Location-Based Advertising (LBA). Modern technologies enable mobile devices to generate and update location information automatically, which facilitates marketers to launch various types of location-aware advertising and promotional services to users who are in the vicinity. This chapter conceptualizes location-aware mobile communication as the locative and mobile media with a McLuhan’s notion of retrieve of “locality” in the “networked” space of information flows, and examines the current dilemma faced by LBA in China through a case study. It first defines location-aware mobile technologies and influences such media afford for location-aware advertising and information propagation. It then provides an overview of the development of LBS and LBA in China. A case study of the LBA app “SBK” further offers a detailed examination how new models of advertising are developed with the technical affordances of location awareness, sociability, and spatiality. The chapter concludes with a discussion on the constraints and potential of LBA in China.

INTRODUCTION

With the arrival of mobile era, wireless communication devices such as mobile phones, which enable people to communicate anytime and anywhere, have transformed our lives tremendously. Specifically, the advent of smartphones has brought forth a new form of advertising – mobile advertising, which has become a rapid growing business providing brands and companies a novel channel to connect with consumers directly and interactively beyond traditional methods of advertisement.

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The history of LBS could trace back to 1993. On November 13, 1993, an 18-year girl Jennifer Koon was kidnapped and murdered. Before her death she called 911 for help; however the technology at that time was not allowed to locate her position. This event resulted in E911 by U.S. Federal Communications Commission (FCC), which enables emergency services to identify the caller’s geographic location. LBS was not popular until the release of smart phone and related operating system such as Apple’s iPhone 3 and Google’s Android system. The growth of mobile phone and related application software (apps) enables users to explore and extend the functions of mobile phones; one of the new uses is location-based service (LBS). LBSs, combined with ubiquitous smartphones, usher in a new form of information propagation: location-based advertising (LBA). Modern technologies enable mobile devices to generate and update location information automatically, which facilitates marketers to launch various types of location-aware advertising and promotional services to users who are in the vicinity. This article investigates location-based mobile applications with a specific attention given to the context of location-based advertising in China. The research questions are concerned with such issues as how to conceptualize locative and mobile media or location-aware apps? How such technologies combined with smartphones and Internet-based social media provide affordance for the creation of a new form of commercial information dissemination? As a mediated tool, in what pattern and to what extent does LBS offer a unique communicative environment for persuasive communication like LBA to take place? What are the influence implications and potentials of location-aware mobile media as ubiquity of LBSs increases?

This article conceptualizes location-aware mobile communication as the locative and mobile media with a McLuhan’s notion of retrieve of “locality” in the “networked” space of information flows and examines the current dilemma faced by LBA in China through a case study. It first defines location-aware mobile technologies and influences such media afford for location-aware advertising and information propagation. It then provides an overview of the development of LBS and LBA in China. A case study of the LBA app “SBK” further offers a detailed examination how new models of advertising are developed with the technical affordances of location awareness, sociability and spatiality. The article concludes with discussion on constraints and possible potentials of LBA in China.

DEFINING LOCATION-AWARE MEDIA

Location-aware media is defined here as any form of networked service via wireless communication technologies to mobile terminals which enable users to be aware of the location of themselves and/or others in the vicinity (Licoppe, 2013). Location-aware technologies and applications may include GPS-based geo-location or cell phone triangulation (Licoppe & Inada, 2006), but most distinctively the self-declarative location-sharing applications such as with Gowalla, Foursquare, Facebook place, Grindr and Digu. In this manner, the user indicates his/her location in way of “check-ins”. The location notification may be made public or restrict to his/her circle of “friends” (Tang, Lin, Hong, Siewiorek, & Sadeh, 2010; Licoppe, 2013). This is based on a variety of wireless communication technologies such as Wi-Fi and Bluetooth, through which most smartphones and other mobile devices are capable of recognizing one another within a range of certain distance. Users to whom such connection and service are available can receive notifications of their “friends” or other users in proximity (Licoppe, 2013).

Locative media arouses a lot of research interest because it brings forth a new form of media experience in the age of “networked individualism” as in the words of Rainie & Wellman (Rainie & Wellman, 2012) and “virtual communities”(Rheingold, 2002) of social networks. To follow the thesis of Marshall