

Proximity based marketing

[Business](#), [Marketing](#)



Proximity Based Marketing Proximity Based Marketing Introduction Location-based services (LBS) are defined as services, which depend on positional information of mobile device (Dhar and Varshney, 2011). It is a mobile information service that broadens the processing capability of both the temporal and spatial information to users through the wireless and Internet communications (Dhar and Varshney, 2011). There are several LBS types such as person-oriented LBS, which consists of application with user based services where the user controls the collection and utilization of location information, and the device-oriented LBS where user applications are external, in which the device or a person located does not control the service. The push-pull based LBS application is also a type of LBS where information is delivered to the end mobile user in the push-based application while, in pull-based, the user initiates the request. Other LBS types include direct-indirect profile, state of interaction, and mobility and interaction, among others (Dhar and Varshney, 2011). Therefore, this paper will analyze the study population; methods used in the study, tools (metrics) used, as well as summarize the conclusions presented in the article. 1. A description of the study population The study population involves the LBS market. Dhar and Varshney state that the LBS market seems to have taken longer to materialize than it was expected some years back (2011). However, corporate customers and individuals have begun purchasing LBS games, emergency services, and advertising, among other LBS. They expect the telecommunications carrier companies to provide personalized information delivery through ways that give them new efficiencies, safety measures, convenience, and work flows. Dhar and Varshney (2011) argue that the

location market is developed on both consumer and business services; hence, can be put into two categories: the vertical market and the horizontal market. The vertical market consists of users from the industry environment in which the management of the location of mobile information forms the primary part of the business. In contrast, the horizontal market is made up of users from the industry environments in which the location of mobile information adds a new value to the existing services. 2. A brief summary of the research methods used. Qualitative research method was used to collect data for this article. The researchers interviewed people in order to collect information on LBS and mobile advertising. This method is used to collect information that is not publicly available, or is quite new to be found in the literature. The method included meeting with prospects, suppliers, and customers among other types of business conversations at seminars, trade shows, and association meetings. 3. A brief statement of the evaluation tools (metrics) used. The evaluation tools (metrics) are measurements used to determine an organization's performance such as revenues, return on investment (ROI), EBITDA, among others. Also, business evaluation metrics form part of business intelligence that consists of a wide range of technologies and applications for gathering, analyzing, storing and enabling data access so as to help enterprise users make better decisions in business. Evaluation tools used include decision support accuracy metrics used to evaluate the effectiveness of a prediction engine, which enable users choose high-quality items from a set and statistical accuracy metrics used to evaluate the accuracy of a system. These metrics compares the numerical sanction scores with the ratings of the user for items in the data set. 4. A

summary of the conclusions presented. Mobile advertising faces several challenges, which must be addressed such as the issue of security and privacy problems, being able to come up with mobile standards that are acceptable for advertising, providing users with high-quality multimedia content, as well as value added LBS together with a guarantee of performance. According to Dhar and Varshney (2011), context awareness along with the use of personalization in LBS is likely to result in highly effective advertising and customer satisfaction. However, despite these challenges, mobile advertising and other LBS are capable of growing, which may lead to significant revenue for the service providers, integrators and developers of applications, and wireless carriers. Moreover, there are many trends emerging that will probably impact the future of LBS such as, the integration of new functionalities in both wearable and hand-held communication devices, and rise in the number of applications utilizing location data in order to improve their effectiveness, among others.

5. My evaluation of the work In this article, it is clear that there are several LBS types, which include push verses pull applications, direct verses indirect devices, and person-oriented LBS among others. Also, there are two main organizations that help in the development of standards of LBS such as Open Geospatial Consortium (OGC) and Open Mobile Alliance (OMA). However, the LBS and mobile advertising faces several challenges, which include the issues of pricing, privacy, personalization, as well as context awareness, among others. There are several technical challenges, as well mainly in the approaches used to determine location such as Wi-Fi, GPS, cellular networks (2G, 3G, 4G), and sensors, among others (Dhar and Varshney, 2011). Other

challenges may include the dynamic changes in location, communication costs, and computing power, among others. Nevertheless, LBS and Mobile advertising have the potential of being widely spread; thus, leading to high revenue for the service providers, applications integrators and developers, and wireless carriers. References Dhar, S. and Varshney, U. (2011).

Challenges and Business Models for Mobile Location-based Services and Advertising. Communication of the ACM. Vol. 54, pp. 121-129.