

## ABSTRACT

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A location-based service (LBS) is a geospatial technology providing services (e.g., emergency dispatch, restaurant location, direct marketing) by determining the geographical location of mobile devices (e.g., mobile phones). Retail LBS is defined as a technology used to direct market products and services to individuals with mobile phones when users are in the vicinity of such products. The successful diffusion and adoption of retail LBS depends upon access to private information of mobile users, such as buying habits and geographic location. However, solicitation of this information is regulated by public and private sectors and varies among nations. The US government upholds a self-regulatory environment for corporations, thereby allowing firms to access, use, and sell consumer proprietary information. In contrast, businesses in Germany confront stricter laws about access to and use of private information due to overarching federal and EU regulations. These differences in societal context may either act as promoters or barriers to the diffusion of retail LBS. Surveys and interviews of experts in LBS, mobile phone statistics, and archival research of privacy laws are used to determine the likelihood of retail LBS diffusion and adoption in the US and Germany.

**Keywords :** diffusion, location-based service, retail, privacy, societal context, geospatial technology, mobile phone, United States, European Union, Germany