

Effects of App Name Suffixes and App Information Quality on
Consumers' Perceived App Value

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Significance and Purpose. The fast growth of smartphones, tablets, and other Internet connected devices allows consumers to use mobile applications (apps) to meet their varying needs. In the current market, only a few successful apps are widely accepted and downloaded by consumers, leaving the vast majority of the remaining ones barely tried. However, research has been scant to address potential factors influencing consumers' purchase decision making for apps. This paper addresses this gap in the literature by proposing a unique perspective on the role of two app factors (1) app brand naming and (2) app information quality as well as a consumer factor, need for cognition, that may influence app consumers' value perception for paid apps.

Theoretical Framework and Propositions. Functionally similar apps are offered in the app market with varying prices, names, and descriptions. It is not uncommon to find an app with an additional name suffix to the brand name that distinguishes an app from other competitor apps or brother apps that share a same brand name but are distinct in features. Four app name suffixes are commonly seen in the market: (1) numerical figures (e.g., SwiftKey 4), (2) "premium" (e.g., ROM Manager Premium), and (3) "ad free" (e.g., Tip Calculator – Ad Free). Given the importance of brand names in consumer decision making (Moore & Turley, 1995), it is plausible that consumers may attach varying symbolic meanings to different app name suffixes and make inferences about the value of the app to assist their purchase decision making. Retailers in the traditional software market have often labeled high-end versions of their products by adding suffixes such as "premium" while tagging low-end versions with suffixes such as "lite" (Raghunathan, 2000). Then, the suffix, premium, has been adopted in the mobile app market possibly to signal advanced features. In addition, a numeric name suffix is likely to be associated with app updates because developers often use escalating version numbers to identify new developments. Finally, the app name suffix, ad free, promises enhanced convenience and usability by eliminating interruptions of advertisements that are often found in free apps.

Elaboration likelihood model (ELM) suggests central and peripheral routes of information processing (Cacioppo & Petty, 1982). The central route involves diligent analyses of cues that are important to the issue, while the peripheral route uses simple heuristic cues as mental shortcuts in making judgment. Applying ELM in understanding the effect of app name suffixes, it is plausible that the peripheral route of information processing may be activated when consumers process the app name suffixes as mental shortcuts to infer the value of the app. For example, paid apps with the aforementioned name suffixes may convey functionally, emotionally, or symbolically superior values to consumers, as compared to apps that do not carry a name suffix. Therefore, the following effect of app name suffixes is proposed:

Proposition 1: Consumers perceive higher added value for a paid app named with (a) a numerical suffix, (b) with the suffix, “premium,” or (c) the suffix, “ad free” than a paid app named without a suffix.

In addition to app names, text descriptions explaining major features and advances of an app are one of the primary sources from which consumers obtain information about the app. According to ELM, a consumer’s thorough examination of app information can trigger the central route of information processing. To convince the consumer that a paid app is superior to a free app, the paid app must provide a strong, compelling description of the app feature. The way app information is narrated and presented to the consumer is thus linked to the perceived value of that app. In other words, app information quality impacts consumers’ perception of the added value of a paid app over its free alternative, leading to the following proposition:

Proposition 2: Information quality of a paid app description has a positive effect on perceived added value for a paid app over its free alternative.

Need for cognition (NFC) describes a consumer’s general tendency to participate in and enjoy effortful thinking (Cacioppo & Petty, 1982). Consumers high in NFC are more likely to follow the central route of information processing and base their attitudes on a comprehensive evaluation of product attributes, while consumers low in NFC tend to avoid effortful thinking and form their attitudes through a peripheral route of information processing (Cacioppo & Petty, 1982). Given this, it is likely that low-NFC consumers are more susceptible to the influence of heuristic cues such as app name suffixes, whereas high-NFC consumers’ decision making is more likely to be based on the persuasive content of the app information provided by the app retailer. Therefore, the following proposition is plausible:

Proposition 3: The effect of name suffix on perceived added app value is stronger among low (vs. high) NFC consumers, whereas the effect of app information quality on perceived added app value is stronger among high (vs. low) NFC consumers.

Future Research Recommendation. As a seminal approach to address the lack of literature on consumers’ mobile app purchase decision making, this paper identifies app name suffix and app information quality as potential factors that influence consumers’ app value perception. This paper proposes ELM as a theoretical framework that explains relative effects of app name suffix and app information quality that influence consumers with varying levels of NFC. Future research is needed to examine the three propositions discussed in this paper to provide valuable insight into consumers’ mobile app purchase behavior and enrich marketers’ understanding of the evolving mobile app market.

References

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