

A STUDY ON FACTORS AFFECTING THE PURCHASING DECISION OF MOBILE PHONES ANY MOBILE COMPANY

Erra Supriya¹, D Rada Kumari²

¹Department of Management Studies KG Reddy College of Engineering and Technology, Chilkur, Moinabad, Ranga Reddy District, Telangana, India.

²Assistant Professor KG Reddy College of Engineering and Technology, Chilkur, Moinabad, Ranga Reddy District, Telangana, India.

DOI: <https://www.doi.org/10.58257/IJPREMS34581>

ABSTRACT

Now a days, Smart phone becomes the popular choice of all individual for the communication. It not only works for the communication but also works to check the email, use of internet, shaving and sharing of important documents, sound recording, taking photos. There are different models and brand of smartphone. Considering the growing needs and demand of smart phone, the study was conducted to identify the factors affecting buying decision of smart phones. The study was conducted among the 170 students of Public Youth Campus.. The descriptive research design had selected for the study to describe the factors that affect the purchase decision. The study had used some statistical models like mean, medium, St. deviation, and correlation to analyze the data. The result shows that product attributes, price and brand was regarded as first, second, and third most important factors respectively. The correlation analysis shows all the independent variables: price, brand and product features had positive and significant relationship in consumer buying decision towards Smart Phones. The study has considered only three explanatory variables i.e., price, brand and product features in the entire study so future researcher can test the impact of other independent variables on purchase decision of smart phone consumers.

Keywords: communication, brand of smartphone, mean, medium, St. deviation, and correlation, independent variables.

1. INTRODUCTION

The development of mobile phones and technologies has been an extended history of innovation and advancements cropped up due to dynamic changes in consumer needs and preferences. Among these developments, mobile phone devices have had one of the fastest household adoption rates of any technology in the world's modern history (Wikle, 1995-2005). Nowadays mobiles have become a part of human life for their personal communication. There are various studies conducted on mobile phone to identify the factors which are affecting the consumers to purchase mobile phones. This study helped to find out that price, brand, battery life, service etc., are the major factors which are affecting consumers to purchase a mobile phone.

Consumer buying behaviour:

Consumer buying behaviour signifies more than just an approach of consumer towards buying a product. Marketing efforts therefore emphasize on consumers consumption of ideas, services and activities. The manner in which the consumer buys a product is extremely important to marketers. It involves understanding a set of decisions (why, what, when, how much and how often) the consumer makes over the time. This research helps to investigate consumer behaviour in a wider perspective and highlights its dependency on the most popular segments.

Consumer buying behaviour is the process involved when individuals or groups select, use, and dispose product ideas, services, or experiences to satisfy needs and desires. Consumer behaviour is the scientific learning of how people buy, when they need to buy, what they prefer to buy, and why they buy. It mingles elements from psychology, anthropology, sociology, and economics. It makes an economics. It makes an effort to understand the buyer decision processes or the buyer decision making process, both individually and in groups. It examines the special characteristics of individual consumers such as psychographics, demographics, and behavioural variables in an attempt to understand the needs of people. It also tries to assess influences on the consumer with the help of groups such as family, friends, reference groups, and society as a whole.

Understanding consumer purchasing process:

The customer buying process describes the journey how customer goes through before they buy the product. Understanding your customers buying process is not only very important for your sales persons, it will also enable you to align your sales strategy accordingly.

The five stages framework remains a good way to evaluate the customers buying process.

1. Need recognition:

This step is identified as the first and most important step in the customer decision process. A purchase cannot take place without the recognition of the need. The need may have been triggered by internal stimuli (such as hunger or thirst) or external stimuli (such as advertising or word of mouth).

2. Information search:

Having recognised a problem or need, the next step is, customer may take is the information search stage, in order to find out what they feel is the best solution. This is the buyers effort to search internal and external business environments, in order to identify and evaluate information sources related to the buying decision. Your customer may rely on print, visual, online media or WOM (word of mouth) for obtaining information.

3. Evaluation of alternatives:

As you might expect, the individuals will evaluate different products and brands at this stage on the basis of alternative products attributes: those which have the ability to deliver the benefits the customer is seeking. A factor that heavily influences this stage is the customer attitude. Involvement is another factor that influences in the evaluation process. For example, if the customer's attitude is positive and involvement is high, then they will evaluate a number of companies and brands, but if it is low, only one company and brand will be evaluated.

2. REVIEW OF LITERATURE

(Md Reaz Uddin, 2014) The study has put efforts to uncover the underlying factors those affect the customers in choosing the mobile phone. The results show that most important factor is physical attribute. Some other factors are pricing, charging, and operating facilities, size and weight, friends and colleagues, recommendations, neighbours recommendations and advertising.

(Dr. Abdul Kalam Azad, 2014) Studied how the respondents are influenced by factors of brand loyalty towards mobile phones. The results suggest that brand name, product quality and service quality are crucial in building brand loyalty of customers in mobile handset market of the country.

(Thakur, 2013) The major objective of their research is to identify the key factors which have a dominating effect on the consumers mind while making a purchase of smartphone. It was found that data is reliable for factor analysis. The measurement model suggested four factors price, brand preference, social influence and features having a dominant influence on the purchase decision of consumer in Indore.

(Jagwindr Singh, 2009) The first objective of the study is to understand the variation in the importance given by different age and gender groups to the select factors while buying mobiles in India. The study concludes that the mobile handset users of age group of 18-30 years are less price sensitive than consumers of other groups rather they consider physical appearance, brand value and core technical features and age group of 50 years and above are given greater importance to the price than consumers of other age groups.

(KV.Ramanathan, 2015) The study shows that branding product design, product performance and price have the influence on peoples buying decision process, which echoes to the literature that whether the product can satisfy people's needs. Appearance, branding and cost of smartphone can affect consumer behaviour.

(Dr. Pratyush Tripathi, 2012) The main objectives to the study are to identify and analyse the factors which impinge on the satisfaction level of the customers of mobile phone service, to understand the effectiveness of the promotional activities of mobile phone companies and offer provided by the companies. Modern purchaser wants to know how and why the product will benefit them, know about the features. They look not only for what a product can do but also what they mean.

OBJECTIVES:

- To analyse factors affecting smart phone purchase decision.
- To investigate buying patterns of consumers.

HYPOTHESIS OF THE STUDY:

H1: The variables like age, gender, income level, education level etc, has significant impact on various factors before purchasing mobile phone.

3. RESEARCH METHODOLOGY**Need For the Study**

Common factors include personal preferences, cultural influences, economic conditions, and the marketing campaigns retailers leverage. Societal and cultural factors play a considerable role in shaping consumer decisions. Peer groups, family, social media trends, and other pressures are vital influences.

Scope Of the Study:

- The study helps to find out the factors which are influencing the consumers to purchase mobile phone.
- The study helps to analyse the consumer buying behaviour and preferences of mobile phone.

Data collection method:

Primary data:

The population for this study are employees working in Hyderabad. Sample will be both male and female employees. The primary data will be directly collected from employees through a questionnaire.

Secondary data:

The secondary data were collected from various sources:

- Magazines
- Books
- Journals
- Websites

Sample Size: Due to time and resources constraint the sample size is taken as 159 for the survey.

Research instrument:

A questionnaire is an instrument used for collecting primary data, consisting of a series of questions and other prompts for the purpose of gathering information from respondents. Although they are often designed for statistical analysis of the responses. The SPSS software is used for data analysis.

4. DATA ANALYSIS & INTERPRETATION

Table1: Gender V/s Factors affecting the mobile phone

S.No	Factors	Degrees of freedom	Chi-Square value	Significant/Non-significant
1	Price	3	.333	Non-Significant
2	Brand	2	.418	Non-Significant
3	Colour	4	.294	Non-Significant
4	Shape	4	.191	Non-Significant
5	Design	4	.067	Non-Significant
6	Features	2	.665	Non-Significant
7	User- Friendly	3	.630	Non-Significant

Interpretation:

Based on the data there are 100 male respondents and 59 Female respondents who are using mobile phones. A Chi-square test is conducted on demographic variables, Gender and factors of mobile phone to find association between the variables since Chi-square value is more than 0.05 which is not less than 0.05(>0.05), we accept null hypothesis. So, there is no association between gender and Factors of mobile phone.

Age V/s Factors affecting the mobile phone

S.No	Factors	Degrees of freedom	Chi-Square value	Significant/Non-significant
1	Price	9	.521	Non-Significant
2	Brand	6	.425	Non-Significant
3	Colour	12	.010	Non-Significant
4	Shape	12	.000	Significant
5	Design	12	.003	Significant
6	Features	6	.181	Non-Significant
7	User- Friendly	9	.863	Non-Significant

Interpretation:

Based on the data there are 100 male respondents and 59 Female respondents who are using mobile phones. A Chi-square test is conducted on demographic variables, Age and factors of mobile phone to find association between the variables since Chi-square value is more than 0.05 for Price, Brand, Colour, Features and User-friendly which is not

less than 0.05(>0.05), we accept the null hypothesis. Shape and Design of the mobile phone value is less than 0.05(>0.05), so we do not accept the null hypothesis.

Income Level V/s Factors affecting the mobile phone

S.No	Factors	Degrees of freedom	Chi-Square value	Significant/Non-significant
1	Price	9	.495	Non-Significant
2	Brand	6	.083	Non-Significant
3	Colour	12	.352	Non-Significant
4	Shape	12	.170	Non-Significant
5	Design	12	.235	Non-Significant
6	Features	6	.231	Non-Significant
7	User- Friendly	9	.320	Non-Significant

Interpretation:

Based on the data there are 100 male respondents and 59 Female respondents who are using mobile phones. A Chi-square test is conducted on demographic variables, Income level and factors of mobile phone to find association between the variables since Chi-square value is more than 0.05 which is not less than 0.05(>0.05), we accept null hypothesis. So, there is no association between Income level and Factors of mobile phone.

Education level V/s Factors affecting the mobile phones

S.No	Factors	Degrees of freedom	Chi-Square value	Significant/Non-significant
1	Price	12	.519	Non-Significant
2	Brand	8	.638	Non-Significant
3	Colour	16	.303	Non-Significant
4	Shape	16	.263	Non-Significant
5	Design	16	.474	Non-Significant
6	Features	8	.369	Non-Significant
7	User- Friendly	12	.621	Non-Significant

Interpretation:

Based on the data there are 100 male respondents and 59 Female respondents who are using mobile phones. A Chi-square test is conducted on demographic variables, Education and factors of mobile phone to find association between the variables since Chi-square value is more than 0.05 which is not less than 0.05(>0.05), we accept null hypothesis. So, there is no association between Education and Factors of mobile phone.

5. CONCLUSION OF THE STUDY

The development of mobile phones and technologies has been an extended history of innovation and advancements due to dynamic changes in consumer needs. The study reveals that most of the consumers are having mobile phones and it is stated that most of the consumers are using Apple mobile phones while Samsung and Motorola are stated as second and third place. Features of the mobile phone is considered as the most important factor in purchase decision of mobile phone. The demographic variables are not affecting the purchase decision of the mobile phone, where the design of the mobile phone is affecting the age of the consumer.

6. REFERENCES

- [1] Dr. Abdul Kalam Azad, R. S. (2014). User perception towards brand loyalty of Mobile Phones; the Bangladesh context.
- [2] Dr. Pratyush Tripathi, P. S. (2012). An empirical study of consumer behaviour towards the preference and usage of mobile phones services in Bhopal.
- [3] Dr. S.K. Kaushal, R. K. (June, 2016). Factors affecting the purchase intention of Smartphone .
- [4] Dr. Sathya Swaroop Debasish, D. N. (2015). consumer buying behaviour towards mobile phone- a study in Odisha.
- [5] G.Shoba, D. (2016). A study on buying behaviour of customers towards various mobile brands.