A Study on Factors Affecting Mobile Phone Buying Behaviour with Reference To Smart Phones among Consumers in Coimbatore City

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Abstract— Hot-selling Android and iPhones have already conquered the consumer market, and with users becoming accustomed to those devices, more people want to use them for work. In the competitive environment where every second day a new technological advancement takes places and the two cell phone giants Android and iOS are pushing themselves every now and then to achieve excellence in their product. Today Android's percentage share in the market is increasing at an increasing rate. The main objective of the study is to analyse the brand perception towards Android were 110 samples was used to collect the data and percentage analysis and weighted average were used as tool to analyse the data and the conclusion is that the customer mostly prefer smart phones for their user friendly atmosphere while using the phone and if the companies tries to satisfy their customers further then the profit and market share can be increased in future period of time.

Keywords: Mobile Phones, Android & Buying Behavior

I. INTRODUCTION

India has been witnessing a revolution in the smart phone market. Android and iOS are two major OS who have been fighting out in the market for the big bite. Indian Mobile market has been traditionally dominated by Nokia. But later on with emergence of Smart phones the Nokia got left behind in the race. And it was Blackberry's and iPhone's who catches up. All the flimflams and excitement the costlier iPhone's and Blackberry's vanished, after the arrival of the most anticipated, open source mobile operating system, the Google Android, which is fated to turn the industry upside down. Despite the growth and popularity for iPhones and Blackberry's, it is predicted that, Android will make a history in sales and on acquiring the market share, slicing down the markets of both Symbian's and iPhone's. Open Handset Alliance (OHA) a confederation of 50 Telecoms, mobile hardware, and software companies, headed by Google, and was found on 5th of November, 2007. The consortium's goal is deploy, the advanced open standards for mobile devices. Android is an open source mobile OS platform, purely based on the Linux operating system.

Android is a software stack for mobile devices that includes an operating system, middleware and key applications launched by Google in 2007 and came as a threat to other leading operating systems like apple iPhone due to which apple had to undergo an extensive research and thus launched apple iPhone 4&4S which has better user interface and more easily downloadable applications. This continuous rivalry is the main area of research which effect consumer buying behavior while selecting a brand.

Apple may have been catching all the headlines with its revolutionary iPhone. But history could remember Google as the company that really turned the mobile phone sector on its head in 2007-08. It came up with first open handset alliance operating system – Android. Android entered the market and captured a great market share of 27% in just two years.

We cannot deny the fact the apple iPhone is the best marvel ever made in the field of technology. It is very true that other businesses always learned from apple and today apple toughest emerging competition is Android. We would like to carry out research in the area of competitive analysis where in upper middle class and upper class segment of people will be targeted.

In the first quarter of 2013, smart phones accounted for 49.3% of sales of mobile phones worldwide. This is up from 34.8% in the first quarter of 2012, and 44% in the fourth quarter of 2012. On the other hand, sales of feature phones contracted 21.8% in the first quarter of 2013.

"Feature phones users across the world are either finding their existing phones good enough or are waiting for smart phones prices to drop further, either way the prospect of longer replacement cycles is certainly not a good news for both vendors and carriers looking to move users forward,".

In the smart phone operating system (OS) market (see Table 3), Android continued to increase its lead, with nearly 50% more Android smart phones in the market than a year ago.

"There are two clear leaders in the OS market and Android's dominance in the OS market is unshakable," Mr. Anshul said. "With new OSs coming to market such as Tizen, Firefox and Jolla we expect some market share to be eroded but not enough to question Android's volume leadership.

A. Android Market

Android Market is an online software store developed by Google for Android devices. An application program ("app") called "Market" is preinstalled on most Android devices and allows users to browse and download apps published by third-party developers, hosted on Android Market. Users can also search for and read detailed information apps from the Android Market website.

Android market is one source for the users to get applications for their devices with ease and provides them with full information on its usage. It is well developed store which categorizes every application for the simplicity of users and to provide them with maximum utility.

II. STATEMENT OF PROBLEM

Feature phones users across the world are either finding their existing phones good enough or are waiting for smart phones prices to drop further, either way the prospect of longer replacement cycles is certainly not a good news for

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both vendors and carriers looking to move users forward,". The main problem of the study is to know preference of customers towards smart phone.

III. OBJECTIVE OF THE STUDY

- To identify the customers awareness towards android mobile phones.
- To find out the preference of customers towards android brands.
- To find out the level of importance towards various factors influencing purchase of a smart phone.
- To find out the factors which influence them to purchase android mobile phones.

IV. SCOPE OF THE STUDY

The main scope of the study is to analyse the preference of the customers towards Android mobile were the scope is that it will be useful for the companies to know the perception of customers towards smart phones.

V. RESEARCH METHODOLOGY

Research comprise defining and redefining, formation hypothesis or suggested solution, collection, organizing and evaluating data, making deduction and reaching conclusion and at last carefully testing the conclusion to determine either they fit the formatted hypothesis.

A. Area of study

The study was conducted in Coimbatore city.

B. Method of Data Collection

To accomplish the objective of the study, both primary and secondary data's were collected.

C. Primary Data

Primary data is that data which is collected for the first time. It is original in nature in the shape of raw material. For the purpose of collection of primary data, a well-structured questionnaire was filled by the respondents.

D. Secondary Data

Secondary data is the data which is already collected by someone. They are secondary nature and area in shape of finished products. Secondary data was collected so as to have accurate results. Required data was collected from various books, magazines, journals and internet.

E. Sampling Method

The sampling used for the study is convenient sampling. This sampling is selected by the research for the purpose of convenience to access.

F. Sample Size

For the study, sample sizes of 110 respondents were selected.

G. Statistical Tools Used

The following statistical tools were used in the study:

a) Simple percentage analysis
b) Weighted average

VI. LIMITATIONS OF THE STUDY

- The study may be biased as the respondents may give wrong answers to the question asked to them.
- There is a time constraint in having a deep knowledge the study.
- No of respondents are limited to 110.
- There may be a bias in collecting secondary data for the study.
- The study is limited to 2 months.

VII. ANALYSIS & INTERPRETATION

	Frequency	Percent
Male	80	72.7
Female	30	27.3
Total	110	100.0

Table 1: Gender

- Interpretation

The table shows the gender of the respondents were 72.7% are male and 27.3% are female.

	Frequency	Percent
18 -25 years	3	2.7
26 -35 years	38	34.5
36 – 45 years	31	28.2
45 years & above	38	34.5
Total	110	100.0

Table 2: Age Group

- Interpretation

The table shows the age of the respondents were 2.7% are from the age group of 18-25 years, 34.5% are form the age group of 26-35 years, 28.2% are form the age group of 36-45 years and 34.5% are from the age group of 45 years and above.

	Frequency	Percent
School level education	5	4.54
Graduate	3	2.7
Post graduate	58	52.72
Professional	44	40.0
Total	110	100.0

Table 3: 3 Educational Qualification

- Interpretation

The table shows the educational qualification of the respondents were 2.7% have completed their school level education, 2.7% are graduates, 54.5% are post graduates and 40% are professionals.

	Frequency	Percent
Student	8	7.3
House wife	7	6.4
Working women	32	29.1
Professionals	52	47.3
Employed	5	4.5
Business	6	5.5
Total	110	100.0

Table 4: Occupational Status

- Interpretation

The table shows the occupational status of the respondents were 7.3% are students, 6.4% are house wife's, 29.1% are working women, 47.3% are professionals, 4.5% are employed, and 5.5% are doing business.

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	Frequency	Percent
Below 5,000	4	3.6
5,000 – 10,000	25	22.7
10,000 – 20,000	38	34.5
Above 20,000	43	39.1
Total	110	100.0

Table 5: Monthly Income

– Interpretation

The table shows the monthly income of the respondents were 3.6% are earning below 5,000, 22.7% are earning from 5,000-10,000, 34.5% are earning from 10,000-20,000 and 39.1% are earning above 20,000.

	Frequency	Percent
Mi	10	9.09
Samsung	30	27.27
Nokia	40	36.36
Lava	20	18.18
Micromax	5	4.55
Moto	5	4.55
Total	110	100.00

Table 6: Smart Phone Purchased Last Time

– Interpretation

The table shows smart phone purchased last time were 9.09% purchased Mi, 27.27% purchased Samsung, 36.36% purchased Nokia, 18.18% purchased Lava, 4.55% purchased Micromax, and 4.55% moto.

	Frequency	Percent
Low	19	17.3
Moderate	35	31.8
High	43	39.1
Very high	13	11.8
Total	110	100.0

Table 7: Frequency of Switching Smart Phone

– Interpretation

The table shows frequency of switching smart phone. Out of 110 respondents 39.1% of the respondents mostly switch over smart phones while 31.8% of the respondents moderately switch their smart phones.

	Frequency	Percent
Unimportant	12	10.9
Fair	48	43.6
Important	32	29.1
Very important	18	16.4
Total	110	100.0

Table 8: Perception towards Importance of Brand when Purchasing Smart Phone

– Interpretation

The table shows the perception towards importance of brand when purchasing smart phone. 43.6% of the respondents show fair importance towards brands while only 10.9% of the respondents gave least importance to brands.

	Frequency	Percent
Mi	15	13.6
Samsung	45	40.9
Nokia	22	20.0
Oppo	17	15.5
One plus	11	10.0
Total	110	100.0

Table 9: Level of Importance towards Brand

– Interpretation

The table shows perception towards importance towards brand. 13.6% said they give importance towards Mi, 40.9% said they give importance towards Samsung, 20% said they give importance towards Nokia, 15.5% said they give importance towards Oppo and 10% said they give importance towards One plus.

	Frequency	Percent
Less than 5,000	25	22.7
5,001-10,000	35	31.8
10,001-20,000	42	38.2
More than 20,000	8	7.3
Total	110	100.0

Table 10: Level of Importance towards Price

– Interpretation

The table shows perception towards importance towards price. 22.7% said that the give importance to mobiles with price less than 5,000, 31.8% said that they give importance to mobiles form 5,001-10,000, 38.2% said as 10,001-20,000, and 7.3% said as more than 20,000.

– Weighted Average

Weighted average is an average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average. Weightings are the equivalent of having that many like items with the same value involved in the average.

Particulars	1	2	3	4	5	Total	Average	Rank
Level of importance towards quality	10	7	43	17	33	110	18.27	2
Level of importance towards design	0	22	32	33	23	110	18.20	1
Level of importance towards operating system	0	38	24	25	23	110	19.80	3
Level of importance towards operating system Level of importance towards value	4	43	48	10	5	110	24.07	5
Level of importance towards reputation Service	0	46	31	23	10	110	22.20	4

Table 11: Showing Factors that Help to Decide a Smart Phone

1) Not at all important
2) Least important
3) Neutral
4) Important
5) Most important

– Interpretation

The table shows the weighted average for level of importance of various factors were the mean was low with level of importance towards design at 18.20 and this factor can be taken for decision making process of the study.

Particulars	1	2	3	4	5	Total	Average	Rank
Brand	15	45	22	17	11	110	25.53	7

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Price	0	42	35	25	8	110	23.73	4.5
Performance	4	49	42	7	8	110	24.73	6.5
Quality	10	7	43	17	33	110	19.40	1
Design	0	22	32	33	23	110	20.40	2
Operating System	0	38	24	25	23	110	21.47	3
Value	4	43	48	10	5	110	24.73	6.5
Reputation Service		46	31	23	10	110	23.73	4.5

Table 12: Showing Important Factors That Help Deciding at Time of Purchase

1) Not at all important
2) Least important
3) Neutral
4) Important
5) Most important

– Interpretation

The table shows the important factors that help deciding at time of purchase were the mean was low with the quality of the product at 19.40 and this factor can be taken for decision making process of the study as the company has to look after the quality of the product.

VIII. Findings

- Majority of the respondents were male.
- Majority of the respondents were from the age group of 45 years and 26 to 35 and above with 34.5%.
- Majority of the respondents were post graduates with 54.5%.
- Majority of the respondents are professionals with 47.3%.
- Majority of the respondents were earning form Rs10, 000 – 20,000 with 39.1%.
- Majority of the respondents said that they have purchased Nokia last time with 36.36%.
- Majority of the respondents switch their smart phones in a high rate with 39.1%.
- Most of the respondents give importance to brand when purchasing smart phone.
- Majority said they give importance to the brand Samsung.
- Majority said that they give more importance to mobile wit price less than 5,000.
- Level of importance towards value at 24.07 will be taken for decision making proves of the study.
- The mean was low with Level of importance towards operating system at 19.80 and this factor can be taken for decision making process of the study.
- Well-known brand name can be taken for decision making process of the study.
- Quality of product can be taken for decision making process of the study as the company has to look after the quality of the product.

IX. Suggestions

- They should get the feedback report from the customer in order to fulfill the customers need and wants.
- They should reduce the price in order to gain more customers and to beat their competitors.
- They should increase the battery backup and improve the after sale service.
- New versions can be updated based on the technology to increase the sales in future period of time.
- Customers are found to give much importance to brand therefore proper image should be created by smart phone companies and the same should be retained/ improved in the fourth coming year.

X. Conclusion

The conclusion is that the customer mostly prefer smart phones for their user friendly atmosphere while using the phone and if the companies tries to satisfy their customers further then the profit and market share can be increased in future period of time.

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