

CONSUMER PREFERENCE OF MOBILE PHONES - AN EMPIRICAL STUDY IN COIMBATORE CITY

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Abstract - Mobile phones are an exceptional invention as it is used for diverse purposes when comparing with its initial days of introduction. Due to the demand many brands are available in the market with affordable prices with required features. Hence today, mobile phones have become necessary than a luxury item. While choosing a mobile, consumer considers many factors. This study is an effort to explore the underlying factors that influences consumers while choosing a mobile. It tries to recognize the major factors influencing consumer choice. The primary data were collected from 150 respondents in Coimbatore city. The major finding showed that 'quality' is the most vital factor influencing the selection followed by its features. The results of the study will provide insights to the major mobile producers to fine-tuning their product, pricing and promotional strategies accordingly.

Key Words: Consumer choice, buying behaviour, Mobile phones

1. Introduction

Today, mobile phones have become an integral part of personal communication. Majority of the people all over the world irrespective of their age, income and geographic location, are using it as a necessary part of their day to day lives. Mobile phone industry all over the globe is currently passing through a tight competition followed by the frequent changes in the tastes and preferences of the customers. Because of this, the companies are constantly engaged to come up with latest innovation and differentiation to meet and satisfy the consumer requirements.

In the initial stages of mobiles, it was mainly used for communication, but later due to the changes and the technological innovations, many changes have occurred in the basic mobile and the functionality of the product has gone beyond one's imagination. Each individual utilise mobile for not only communicative purpose, but also has become a personal assistance to make daily life easier. The mobile communication technology development e. g. wireless internet, mobile phone, MP3 player, GPS navigation system has been a long journey of innovation, which is constantly evolving and updating as a result of consumers changing needs and preferences. The major trends shaping the mobile culture are: in the beginning as a communication services such as voice, text and pictures and with the introduction of internet it is mainly used for browsing and e- mail purpose as well as for games and music and many more. Due to all these it is now become similar to a personal computer which can almost do functions of a computer. Every day a new phone is

launched with enhanced features and technology. Even though the competition has provided the consumer a wide variety of mobile phones to choose from, at the same time there is also confusion among the consumers as which particular mobile phone suits their requirements most.

This paper tries to identify the factors influencing consumer preference towards mobile phones and investigates the reasons for their purchase. The preferences of consumers will have a great impact on technology push on mobile phone industry which will result in to the introduction of new models with innovative features.

2. Review of literature

(Batra & Ahtola, 1991) As per their findings , In the case of mobile phone purchases, a consumer may go through all the five stages of rational decision making or he may make quick purchase on account of hedonic considerations. The general belief is that in case of utilitarian products, rational decision making is involved, whereas in case of hedonic products, emotional decision making is involved. For mobile phone purchase, both rational and hedonic considerations may drive consumers. .

(Moorthy *et al.*, 1997). As per his opinion, the information search can be done through different sources such as advertisements, word-of-mouth, reference groups, recommendations, social media, etc. The consumers' formulate their purchase decisions by the limited information search of what they got rather than evaluating all possible alternatives

(Dorsch *et al.*, 2000) The purchase decisions for mobile phones mostly follow rational buying process, but in certain cases the decision may also be influenced by symbolic preference associated with some brands; it has been observed that younger consumers value more hedonic features in mobile phones

(*Macro Analysis & Consumer Research Organisation, 2004.*) This study aims to investigate the attitude, usage patterns, the factors that trigger for purchase and awareness about the recent launches of mobile handsets in the market. The finding shows that people has enough exposure to various technology before their actual purchase, and they have good awareness about new model launches by various reputed companies like Samsung , Nokia and LG .

(Ling Hwang and Salvendy, 2007) The size, physical appearance and main menu of mobile phone are found to be the most important factors influencing the choices of mobile phones.

(Ehtesham Mohammad, 2012). According to them while making the purchase decision, a consumer is influenced by several social, cultural and economic factors surrounding him. The factors that determine mobile phone handset purchase vary from one age to another, between male and female, one ethnic group to another and from various psychographic and behavioural patterns. It is also noted that the all factors-whether technological, design, brands, purposes and social reference groups played a role in influencing consumer behaviour in selection of mobile phone handsets.

(Schiffman *et al*, 2015) according to him with regard to consumer behaviour perspective, a consumer passes through five steps during the purchase of products such as need recognition, information search, evaluation of alternatives, purchase and post purchase evaluation.

(Sandeep Kumar, 2015) As per Sandeepkumar ,the different product attributes that the consumers gives importance in selecting a handset have been observed to be design, price, internet connection, battery life, camera, video quality, apps downloading, operating system and social networking. The product attributes will help the customers to select the appropriate product when they are confused between different products.

3. Objectives of the study

Primary objective of the study is to investigate the factors influencing consumer preference towards mobile phones and explore the reasons that prompt the purchase of mobile phones.

4. Research Methodology

The research design used in this study is descriptive. Primary objective of the study is to investigate the factors influencing consumer preference towards mobile phones and explore the reasons that prompt the purchase of mobile phones. To achieve the said objective, a structured questionnaire was used. The samples for the study constitute people having a mobile phone, living in the Coimbatore City limits and the sizes of the sample were 150. Convenience sampling is adopted.

5. Data analysis and interpretation

Table 1: Demographic profile of the respondents

Demographic profile	Variable	Frequency	Percentage	
Gender	Male	88	58.66	
	Female	62	41.34	
Age	Below 20 years	18	12.00	
	21-30 years	62	41.33	
	31-40 years	38	25.33	
	41-50 years	22	14.66	
	51-60 years	8	5.33	
Above 61 years	Above 61 years	2	1.33	
	Occupation	Student	12	8.00
		Employed	73	48.66
		Unemployed	8	5.33
		Business	37	24.66
Farmer		6	4.00	
Others		14	9.33	
Annual Income	Less than 2 Lakh	55	36.66	
	Between 2-4 Lakh	57	38.00	
	Between 4-6 Lakh	23	15.33	
	Above 6 Lakh	15	10.00	

Source: Primary data

It is observed from the study that majority of the respondents are male (58.66 %) and the remaining females.

The age wise classifications of the respondents are 41.33% belongs to the age group of 21-30 years followed by age group of 31-40 years. Only 1.33% belongs to the age above 61 years.

The occupations of the respondents are 48.66% having employment, followed by business (24.66%), 8% students hence majority having employment

Annual family income of the respondents (38%) is between 2-4 Lakh, 36.66% of the respondents have an annual family

income of less than Rs. 2 lakhs While 15.33% of the respondents have an income between 4-6 Lakh.

Table 2: On a daily basis the average time respondents spend on mobile phones

Time spent	Frequency	Percent
Less than 1 hour	16	10.66
1-2 hours	47	31.33
2-3 hours	55	36.66
Above 3 hours	32	21.33
Total	150	100.00

Source: Primary data

The table shows the average usage of mobile by the respondents on a daily basis, it is clear that 36.66% are using the mobile for 2-3 hours followed by 31.33% 1-2 hours and only 10.66 percentages is using it for less than an hour. And even 21.33% are using it for more than 3 hours daily. This clearly shows how far the people are addicted to mobile.

Table 3: The mobile brand respondents are currently using

Brands	Frequency	Percent
Samsung	27	18.00
Vivo	22	14.66
Xiaomi	39	26.00
Realmi	18	12.00
Oppo	19	12.66
iPhone	8	5.33
Other	17	11.33
Total	150	100.00

Source: Primary data

As per the table it shows that the respondents' mobile brands currently using. (26%) mentioned that they are using Xiaomi, followed by 18% Samsung, 14.66% Vivo, and only 11.33% using other brands other than which is mentioned in the table. The result clearly shows that people have got variety of options available for them in purchase decision of mobile phones

Table 4: Handset Size Preference

Size preferences	Frequency	Percent
Small	25	16.66
Medium	104	69.33
Large	21	14.00
Total	150	100.0

Source: Primary data

The table shows the handset preference of respondents, Majority prefers (69.33%) medium sized handsets, followed by small ones (16.66%) and 14% prefers Large size.

Table 5: Frequency of changing mobile phones

Frequency of changing handsets	Frequency	Percent
Less than 6 months	7	4.66
6-12 months	12	8.00
1-2 yrs	60	40.00
2-3 yrs	38	25.33
More than 3 yrs	33	22.00
Total	150	100.0

Source: Primary data

The table shows the frequency of changing handsets. Majority of the respondents opined (40%) that they replace their handsets only after 1-2 years of usage. 25.33% % said that they change handsets after 2-3 years of usage and 22% said that they change handsets after using them for more than 3 years and only 4.66% having a tendency to change within 6 months of its purchase.

Table 6: Money spent on purchasing mobile phones

Money spent	Frequency	Percent
Less than Rs. 5000	4	2.66
Rs.5001- Rs.10000	65	43.33
Rs.10001- Rs.15000	40	26.66
Rs.15001 - 20000	24	16.00
Rs.20001- Rs.25000	10	6.66

More than Rs.25001	7	4.66
Total	150	100.0

Source: Primary data

It can be seen from the table that 43.33% are willing to spend Rs.5000-10000 for their mobile handsets, followed by, 26.6% are willing to spend Rs.10001-15000. Only 4.66% are willing to pay more than 25001 for a mobile handset. This shows that the most preferred price range is between Rs.5001-10000.

Table 7: Place of purchasing mobile phones

Place of purchase	Frequency	Percent
Online stores	40	26.6
Exclusive showrooms	32	21.33
Multi brand Mobile showrooms	72	48.00
Others	6	4.0
Total	150	100.0

Source: Primary data

Majority of the respondents (48%) said that they usually purchase mobile phones from multi branded mobile showrooms, while 26.6% of the respondents usually purchase through online mode and 21.33% from exclusive showrooms of the concerned brands.

Table 8: Reason for the purchase of new mobile handset

Factors	Weighted average score	Rank
Advertisements	3.10	4
Damage of the current mobile	2.89	5
Upgrade to new model	3.49	3
Real Need	4.11	1
Special offers and discounts	3.67	2
No specific reason	2.44	6

Source: Primary data

The factors that prompt the purchase decision of mobile phones were analyzed and the study shows that the major reason for the purchase of anew handset is due to the real need followed by special offers and discounts, upgrading to the latest model, advertisements, damage of the

existing mobile, and without any specific reason respectively, hence we can interpret that the major factor for the purchase of an handset is purely because of the real need of the customer.

Table 9: Preference towards various aspects especially with regard to ‘appearance’ of mobile phones

Criteria	Weighted average score	Rank
Screen size	3.11	5
Colour	3.24	4
Weight	3.98	3
Shape	2.67	6
Design	4.23	2
Compactness	4.67	1

Source: Primary data

The various aspects of Appearance of mobile phones are analysed and accordingly the findings shows that ‘compactness’ feature is the most preferred aspect of mobile phones, followed by ‘design’, ‘weight’, colour, screen size’ and ‘shape of the phone’ respectively.

Table 10: Influencing factors with regard to the choice of mobile phones

Factor	Mean Score	Rank
Brand name	4.56	4
Price	4.90	5
Quality	3.21	1
Features	3.89	2
Model	5.89	7
Peer pressure	5.34	6
Discounts and offers	4.23	3
Reviews & recommendations	6.45	8
After sale services	6.97	9

Source: Primary data

The various factors influencing the preference towards specific brands of mobile phones were analysed. The mean ranks of responses were calculated. As per this analysis it is observed that the most important factor influencing the

choice of mobile phones is 'quality' followed by 'features', 'discounts and offers', brand name, price, peer pressure, model, reviews and recommendations and after sales services respectively. The least important factor is 'after sales services'

6. Conclusion

As consumers, they will have different reasons for the purchase of any item. So is the case of mobile phones. Some factors will have more influence on consumers' buying decision where as some others will have relatively less impact on their purchase decisions. As per the finding of the study, the factors that prompt the purchase decision of mobile phones shows that the major reason for the purchase of a new handset is due to the 'real need' followed by special offers and discounts. The findings also made it clear that 'compactness' feature is the most preferred aspect of mobile phones, followed by 'design', 'weight', colour, screen size' and 'shape of the phone' respectively. The most important factor influencing the choice of mobile phones is 'quality' followed by 'features', 'discounts and offers', brand name, price, peer pressure, model, reviews and recommendations and after sales services respectively. The least important factor is 'after sales services'. Hence consumers are different and the preferences will change time to time, it is better for the companies to keep an eye on the changing preferences of customers and accordingly come up with more innovative customer friendly, affordable and handsets with more features for the customers so that they can stay in the market and fight against the competition and thus improve their market share.

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