

Buying Behavior for Mobile Handsets in India

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ABSTRACT

Mobile handsets are primary essentials for people across the world. Marketers constantly shall understand the buyer's changing needs. The features that a consumer looks for, where does he seek for that information? Marketers want to understand the budget available and also the top of the mind brand that he recalls to style the varied marketing strategies. the aim of this study is to get the answers to the questions above for the segment of 18-23 years. The segment is usually a non-working class and possibly within the final phase of their education and also the researchers is curious to understand their buying behavior. The findings are assertive on the features, budget and knowledge search by this segment. Brand recall findings are quite interesting.

Keywords: Brand recall, Buying behavior, Mobile, Mobile handset

1. INTRODUCTION

India is that the second-largest mobile market, prior the US with over 400 million smartphone. As per counterpoint research, the value range of 33percent of the phones sold is between Rs. 11,000 to Rs. 18,000, and is that the fastest-growing segment. India is that the second-largest smartphone market after China, in 2019 158 million smartphones were shipped to India. Chinese smartphone brands – Xiaomi, Oppo, Vivo, Realme, Oneplus accounts for over 72 percent of the mobiles sold in India, while rest is taken by Samsung, Asus, Apple, and Google. Indian market is becoming digitalized in an exceedingly big way which is why there's enormous of online demand for mobile handsets and electronic gadgets. consistent with the Counter point research, Xiaomi is that the amount one mobile brand in India with 27 percent Market Share. Vivo that contains a 21 percent share and Samsung have slipped to 3rd with a 19 percent share. Samsung has been number 2 within the marketplace for over 2 years (since Q4-2017). Oppo and Realme (Sub-brand of Oppo) have 12 percent and eight percent share. Realme is an online-only brand launched in Q2 (May) 2018 and focuses on offering affordable products and is using all social media channels to fight Xiaomi. Oneplus has picked up the market by 5 percent over the most recent 1 year while Samsung and Apple has lost the piece of the pie. The top-selling telephones in the top notch section are OnePlus 7T, 7T PRO, Samsung Galaxy Note 10 and the S10 Series. Apple iPhone XR and the iPhone 11 are doing admirably for the brand.

1.1 About Industry

The mobile phone industry is the quickest developing area in the bigger correspondences industry today. The telephone industry is primarily engaged within the manufacturing of mobile phones, including itinerant handsets. India is that the world's second largest itinerant manufacturer after China. And with this pace of growth, India isn't far away from becoming the leading handset market within the world. In May 2017, the Indian government announced the Phased Manufacturing Programme (PMP) to market domestic production of mobile handsets. This activity helps assemble a tough indigenous mobile manufacturing assembling ecosystem in India, and boost huge scope for manufacturing in India, and incentivize large scale manufacturing. The PMP has successfully helped in nudging companies to maneuver towards manufacturing from direct imports. consistent with the ICA, the entire capital investment by device and component players by the top of 2018 under the PMP is anticipated to hit INR 57 billion. Last year, India overtook the US. to become the world's second-largest smartphone markets, after China. Cell phone creators from Xiaomi Corporation to Oppo Mobiles are building industrial facilities inside the world's quickest developing commercial center for the product reinforcing push by the Indian Government, to energize abroad financial investors to 'Make in India'. India's cell phone showcase grew 14 percent with absolute shipments of 124 million units in 2017, the quickest pace of development among the most noteworthy 20 markets, reliable with International Data Corporation (IDC). Demand for brand spanking new phones is surging in India, helped partially by the Indian major, Reliance Group, offering USD 23 4G feature-phones, free voice services and cheap data plans. Being a price sensitive market, the sub-10,000 segment of smartphones has seen the best sales since 2012. Every smartphone maker wants to maximize the demand for budget devices with sub-10,000 offerings. The National Policy on Electronics 2019 has set the aim of promoting domestic manufacturing and export within the entire value-chain of ESDM (Electronics System Design and Manufacturing) for economic development to realize a turnover of Rs. 26 lakh crore by 2025. India currently has over 450 million smartphone users. The quantity of smartphone users within the country is anticipated to achieve 859 million by 2022. The transportable manufacturing industry is anticipated to achieve a size of USD 217 billion by 2020. Moreover, rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India over the subsequent five years. agency Task Force (FTTF), under the Indian Ministry of Electronics and IT, estimates a 500 million mobile phones production in India by 2019, valued at USD 46

billion. The target is additionally to make a component manufacturing production worth USD 8 billion and employment worth USD 1.5 million by 2019. The factors which will make sure the market remains on an upward curve, including low smartphone penetration, easy foreign investment in India, and also the ascendancy of Long-Term Evolution. These will twofold Samsung's Noida unit limit with respect to cell phones to 120 million units per year from 68 million. The corporate has taken the 'Make in India' initiative to a different level by launching 'Make for the World' initiative as a part of which it aims to export mobile handsets produced in India, to overseas markets. Indian mind-set wasn't positive towards windows smartphones. Individuals occupied from Windows Phone towards ease Android for more easy to use OS. Android users account to about over 90 percent of the overall smartphone users in India which remains growing for it. Android users are too possessive towards their software system and always speak about the merits of the device which take Windows Phone out of the image. they struggle to rule out all the opposite platforms due to the restrictions forced by Microsoft. Indians are pretty budget orientated people and really much inclined towards buying a smartphone of low-price. Local companies like Micromax and Karbonn tried to induce over to capture the market but were unsuccessful due to limitations of after sales services.

2. REVIEW OF LITERATURE

[1] Neema Negi and Naveen Kumar Pandey, July 2013 explains advertising may be a promotional activity for marketing a commodity. Advertising helps the manufacturer to extend his sales and maintain market. Now a days the advertising play a big role in today's highly competitive world. Whether it's brands, companies, personalities or perhaps voluntary or religious organizations, all of them use some type of advertising so as to be able to communicate with the target market since, it's advertising that shapes brand preference. The brands which are very successful in northern part of the country might not find an area in South India. Similarly few brands are effective in rural territories and level II urban areas while not in urban areas and metros. Here arises the necessity to check the factors influencing brand preference for mobile phones.

[2] Parveen Kumari, Satinder Kumar investigated a frame of consumer preferences in his/her mind to decide on or purchase a product or service of the identical or different brands or producers. Keeping in sight the frame of references the current paper is a shot to check the attributes affecting the acquisition decision of consumers towards the acquisition of the Mobile Phones and to recommend the policies which can be adopted by the advertisers to reinforce awareness among the buyers. For marketers increase in competition results in decrease in sales for mobile phones as market share is now divided among more sellers. For consumers, it involves cost, i.e. cost of foregoing best alternate. that the study of brand name preference is of great importance for the marketers in addition as consumers. that the marketers must study the varied movable attributes that influence the patron brand preference towards mobile phones.

[3] Prasad (S, 2016) Indian youth has a strong inclination towards the gadgets with preference for latest software. The factor of success for smartphones over the years has been not only in their ability to run well, but also to give access to extended capabilities via third-party apps. A customer attitude model is being developed through the variable taken as service quality, service value and service involvement is being designed and validated through the empirical method of factor analysis by using the

questionnaire of sample size 400 technical and non-technical students and executives in India. The SEM of customer preferences has developed through the factor analysis of 20 statements about the different smartphone companies.

[4] V. Josephine Lourdes De Rose, June 2015). a wise phone may be a movable with a sophisticated mobile software system. They typically combine the features of a telephone with other popular mobile devices, like media player and Global Positioning System navigation unit. Most smart phones have slightly screen interface and might run third-party apps, and have camera phones. Smart phones from 2012 onwards even have high-speed mobile broadband. India prior to the us is that the second-largest country for smart phone use within the world. In India college students check Facebook accounts on smart phones. The researcher has made a shot to check the factors which affect the selection of smart phones among college students and cluster them on the premise of their choice factors. The study sample of 100 college students is chosen using purposive sampling method within the Corporation limit. This study identifies three groups of smart phone users (economy seekers, value seekers and prestige seekers) supported cluster analysis. Each group has been identified though their unique characteristic features to tell apart them. [5] Thanika Devi Juwaheer, Sharmila Pudaruth, Indeeren Vencatachellum, Deerajen Ramasawmy, Yasodaree Ponnusami, June 2013 explores the varied factors which impact on the choice of mobile phones among young customers. the varied constructs like branding, pricing, movable features, lifestyle, and demographic variables like age groups and gender are conceptualized into an integrated framework to analyze the factors which may affect the choice of mobile phones. It also investigates upon the relative significance of those factors in determining the choice of mobile phones in Mauritius. This paper provides a deep insight into the factors influencing movable selection among young customers sure an emerging country like Mauritius.

[6] Vishesh, Prof Sanjiv Mittal, Dr Shivani Bali, August 2018 Cell phones became fundamental component of communication. Indian mobile market has witnessed a paradigm shift and emerged because the fastest growing marketplace for mobile handsets globally. Consumers are showing preference towards smartphones because it is getting used for a range of purposes. The aim of the current study is to analyse the factors that affect the patron buying behaviour towards movable. The study was undertaken on 638 movable users of Haryana state of India. the info was analysed using correlational analysis and multiple regressions. With the assistance of correlational analysis ten decision factors of consumer buying behaviour were derived. On these ten factors a multiple correlation analysis was performed with perceived satisfaction of consumers in terms of shopping for decision as a variable. The findings showed that "Speed & Performance" has the very best positive impact on the satisfaction followed by "brand & advertising" and "recommendations & reviews". The study provided useful insights of the patron buying behavior towards mobile phones.

3. OBJECTIVES OF THE STUDY:

- To know the extent of brand penetration for the segment to be studied
- To know the budget of the segment for buying a handset
- To find out the extent of importance of various sources of information for this segment in buying a mobile handset
- To know the brand recall of this segment

- To know the extent of importance the features get by this segment while buying a handset
- To know the ad recall for mobile brands.

4. RESEARCH METHOD

We conducted a survey through convenient sampling method. Secondary data are collected from the different sources like electronic and print medium respectively and articles are mostly from published journal. Primary data are collected from the respondents of technical and non-technical students and executives who are mostly young through questionnaire method of sample size 72 during the period of 2019. Component matrix is being used for the data analysis through SPSS.

4.1 Results, Discussion and Managerial

Implications

Our results bring out an important fact that the respondents easily recall the logo and brand name of Oppo, Xiaomi and Samsung. Camera is still not that important feature of a phone for an individual buyer. They still prefer a good battery backup. The respondents recalled the advertisement but could not recall the tagline. The respondents are also aware of the factors like the processor, storage, appearance of the phone and the price. Doing a research on this topic actually helped us to find and understand how Oppo has created its Brand equity. Though a research with this sample size concentrated in only one city gave a small idea about the customer's perception for the brand. OPPO is quite known to the people, but the use of OPPO smartphones is quite less compared to the other competitive brands. Hence, they should focus on products of all ranges. As the overall smartphone industry is getting more competitive, OPPO should become more aggressive with their advertisement to stand high. Overall, OPPO is quite known to the people, but the use of OPPO smartphones is quite less compared to the other competitive brands. Hence, they should focus on products of all ranges. As the overall smartphone industry is getting more competitive, OPPO should become more aggressive with their advertisement to stand high. Globally OPPO is a well renowned brand but is still struggling in the local. Hence, quality must be more emphasized into and hopefully the outcome will be more efficient.

5. DATA ANALYSIS

Table1: Reliability Statistics

Cronbach's Alpha	N of Items
0.873	40

Interpretation: It is found from the Reliability Statistics Cronbach's Alpha value is 0.873. Hence data is reliable

Table 2: Brand Recall

	Frequency	Percent
Xiaomi	14	19.7
Apple	4	5.6
Oppo	23	32.4
Samsung	16	22.5
Vivo	7	9.9
Moto G	6	8.5
Honor	1	1.4
Total	71	100.0

Interpretation: From the above table and graph it is clear that 30 percent of the respondents could easily recall logo and brand name of Oppo brand and 20 percent could recall the logo and brand name of Samsung and 20 percent could recall Xiaomi. This question signifies the brand recalls among the respondents surveyed.

Table 3: Budget for handset

Budget for handset	Frequency	Percent
Below 10000	15	21.1
10000-15000	29	40.8
15000-25000	20	28.2
25000 Above	7	9.9
Total	71	100.0

Interpretation: From the above table and graph it clearly shows that, 45 percent of the respondents spend 10000-15000Rs. and 30 percent respondents spend 15000-25000Rs to purchase new mobile. Here we can find that amount spent to purchase a mobile is ranging between 10000-15000 which is quite economical price for the age group of 18 to 24 years old. As the amount spent is economical thus respondents are more aware about Oppo brand as it is an among the Economical Mobile Brand for the Students

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Table 4: To what extent would you give importance to the information obtained from the following resources?

	Component	
	1	2
• Digital Platform	.268	.886
• Ecommerce Website	.615	-.036
• Peers	.645	-.516
• Family	.679	.211

Interpretation:-From the Rotated Component matrix we find that more importance is given for Digital Platform and peers in order to obtain information regarding the mobile handset. Digital platforms make it easier for customers to obtain information through the entire source within a time period. It also helps in comparing the information on a single platform. As the usage of internet is increasing drastically digital platforms have become a convenient mode of getting the information.

Table 5: Recall the tagline of the handsets?

1.Oppo	a. Accelerate your Life
2. Xiaomi	b. Connecting Life
3.Nokia	c. Designed For Reno
4.Samsung	d. Perfect Shot, Perfect Moment
5. Vivo	e. Imagine

Table 5.1: Tagline recall of handsets

	Frequency	Percent
1-a,2-b,3-c,4-d,5-e	20	27.8
1-b,2-d,3-e, 4-a,5-c	8	11.1
1-c,2-a,3-b,4-e,5-d	32	44.4
1-e,2-d,3-c,4-b,5-a	11	15.3
1-a,2-b,3-c,4-d,5-e	1	1.4
Total	72	100

Interpretation:- From the above Bar graph we can find out that 50 percent respondents were able to identify the correct tagline of different mobile handset. Thus Brand awareness is incredibly important for business success and overall marketing goal.

Table 6: Rank the Features of mobile that interest you.
5- Most preferred4- Preferred3- Neutral Not Preferred1-Not at all preferred.

	Component	
	1	
[Battery Life]	.898	
[Storage]	.885	
[Price]	.823	
[Processor]	.894	
[Appearance]	.887	
[Availability]	.884	
[Camera]	.895	

5.1 Hypothesis

Ho: There is no significance association between the ads recalled of Oppo by the customer and the tagline of Oppo recalled by the Customers.

H1: There is significance association between the ads recalled of Oppo by the customer and the tagline of Oppo recalled by the Customers.

Therefore P value of 0.160 > alpha value of 0.05, Ho is accepted.

This means there is no significance association between the ads recalled of Oppo by the customer and the tagline of Oppo recalled by the Customers

5.2 Hypothesis Testing

Table 7: Chi Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.573 ^a	4	0.160
Likelihood Ratio	7.169	4	0.127
N of Valid Cases	72		

Interpretation: From the Component matrix we find that most preference in features is given to Battery life then followed by Camera. Brand awareness is related to functions of brand identities in consumer's memory and can be measured by how well the consumers prefer the features of the mobile

6. CONCLUSION

The general outcomes demonstrated that the respondents have seen cell phone in a positive way. The outcomes can be utilized by Smartphone makes and advertisers to know the necessities of their objective client and structure the item and figure showcasing techniques appropriately life, preparing speed are the most significant factors in buy choice. Further Product include, value, peer gathering and brand picture are the key impacting variables to purchase the cell phone. Despite the fact that the cost of cell phone is high the clients are prepared to pay and manage the cost of it for their social need. From this investigation unmistakably

the Smartphone has become a fundamental piece of life and it made life simpler. Therefore, there is sufficient chance and degree for Smartphone brands to get a bigger pie in piece of the overall industry as long as they are to improve in the business.

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