

A Study on Consumer Buying Behaviour of Smart Phone among Middle Aged Consumers with Special Reference to Kerala

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Abstract: India is one of the fastest growing economy throughout the world. The telecom sector and its services have been recognized as an important tool for socio-economic development for a nation. The mobile phone sector in India has become very popular nowadays. Its growth is so prodigious that it has crossed most of the industries. The reason for the growth of this sector is consumer involvement as a human being spends most of his time interacting with others. The consumer buying preferences are rapidly changing and this result to change in the customer behaviour for a product. The study revealed that favourite feature in smartphone for middle-aged consumers is internet browsing. . It is found that middle-aged consumers are influenced by advertisement on the internet while purchasing smartphone.

Keywords: Consumer Behaviour, Smart phones, Middle aged consumers, Advertisement, Phone sector, Telecom sector.

1. INTRODUCTION

The recent growth of smartphone usage is an observable fact that crosses all age and gender boundaries. There are a variety of smartphones with different names and brands available in the market such as Apple, Huawei, Samsung, Oppo, and Redmi etc. The brand is another factor that drives people to buy a smartphone. Smartphone features like text to speech, GPS and social websites are helping people to easily remain integrated with society. Using these services and many more features, people can easily communicate to their needs, seek assistance from others and remain connected to society. Various businesses like hotels, services, travel and tourism, airlines, and many more have been positively influenced by the use of smartphones which flourished their businesses. The mobile phone sector in India has become very popular nowadays. Its growth is so prodigious that it has crossed most of the industries. The reason for the growth of this sector is consumer involvement as a human being spends most of his time interacting with others. The consumer buying preferences are rapidly changing and this result to change in the customer behaviour for a product. Products that were previously considered luxury items have become a necessity because of the changing lifestyle and rising income levels.

Statement of the Problem:

Peoples' obsession with the smartphone has been increasing rapidly. The aim of this research is, to identify the problems facing while using smartphone among middle-aged consumers. Customer behaviour consists of actions, reactions and response in relation to the product brought and services sought. Factors such as personality, perception, attitude, and learning on the one hand and the product, price, physical attributes, advertising and social influence on the other shape the behaviour of customers.

Objectives of the Study

1. To know the usage pattern of smartphone among middle-aged consumer with special reference to Kerala
2. To identify the problems facing while using smartphone among middle-aged consumers with special reference to Kerala.

2. REVIEW OF LITERATURE

Mesay data(2013) in his article “consumer buying behaviour” says that the study is to investigate the factors affecting the decision of buying mobile phone devices in hawassa town. In order to accomplish the objective of the study, a sample of 246 consumers was taken by using simple random sampling technique. Both primary and secondary data were explored. Moreover six important factors price, social group, product features, brand name, durability and after sales service were selected and analyzed through the use of correlation and multiple regressions analysis The study suggested that mobile phones sellers should consider these factors to equate the opportunity.

Mohankumar, Dineshkumar (2015) in their research paper “A Study On Customer Purchase Behaviour towards Mobile Phone With Special Reference To Erode City” says to study on customer purchase behaviour towards mobile phone. Customer buying is not mere transfer of item from seller to buyer. Consumer wants buying to become a happy affair. They would like to see, touch and feel the commodities that they buy. Understanding this psychology for the consumer many organizations have come to make purchase of happy affair. The present study is conducted in Erode city and it is decided to consider different mobile phones’ like Nokia, Sony Ericsson, Samsung, HTC and Micromax. This study helps to know the factors which influencing the consumer to purchase Mobile Phones. This study helps to know the buying behaviour of the consumer while choosing Mobile Phones

Savitha Nair, Nivea Nelson N and Karthika R (2016) in their study “Consumer preference towards mobile phones: An empirical analysis” conveys that Today, mobile phones are used for diverse purposes as compared to the purposes for which they were used during its initial days of introduction. With a plethora of brands available in market, at comparable prices, and the perception that mobile phones are a necessity rather than a luxury, consumers consider many factors while making a purchase decision. This study is an attempt to uncover the underlying factors that influences consumers while choosing a mobile phone. In order to accomplish the objectives of the study, both primary and secondary data were explored.

Vishesh ,Prof Sanjiv Mittal , Dr. Shivani Bali (2018) in their article “Factors Affecting Consumer Buying Behaviour Towards Mobile Phones” reveals that Mobile phones have become a basic elements of communication. Indian mobile market has witnessed a paradigm shift and emerged as the fastest growing market for mobile handsets globally. Consumers are showing a preference towards smartphones as it is being used for a variety of purposes. The aim of the present study is to investigate the factors that affect consumer buying behaviour towards the mobile phone. The study was undertaken on 638 mobile phone users of Haryana state of India. The data were analysed using factor analysis and multiple regressions. With the help of factor analysis, ten decision factors of consumer buying behaviour were derived.

3. RESEARCH METHODOLOGY

Both primary and secondary data are used for the study. The primary data are collected from the respondents using a questionnaire. Here the respondents are 100 middle aged customers. Secondary data are collected from various sources including books, journals, articles, websites etc. The sample size is 100. Which randomly selected from different locality of Kerala. The sampling method used for the study is convenience sampling. The collected data are analysed using various statistical tools. The tables are used to represent the data.

4. DATA ANALYSIS AND INTERPRETATION

➤ Data on usage

The data on usage of smart phone by the sample respondents were analysed on the basis of no of the smartphone, current smartphone, payable amount, a period of usage, favourite feature and satisfaction level.

Number of smartphone

Majority of sample respondents are using one smartphone, 12 percentage of respondents are using two smartphones, 5 percentage of sample respondents are using three smartphones and only 3 percent of respondents using more than three smartphones.

Table no 1: Number of smartphone

| Attributes | Frequency | Percentage |
|-----------------|------------|------------|
| one | 80 | 80 |
| two | 12 | 12 |
| three | 5 | 5 |
| More than three | 3 | 3 |
| Total | 100 | 100 |

(source: primary data)

Current smartphone

The table illustrates 28 percentage of sample respondents are using Redmi, 20 percent of respondents are using Huawei Honour 18 percentage of respondents are using Oppo and only 9 percentage of sample respondents are using another smartphone.

Table no 2: Current smartphone

| Attributes | Frequency | Percentage |
|--------------|------------|------------|
| Redmi | 28 | 28 |
| Huawei | 20 | 20 |
| Oppo | 18 | 18 |
| Samsung | 15 | 15 |
| Apple | 10 | 10 |
| Others | 9 | 9 |
| Total | 100 | 100 |

(Source: primary data)

Payable amount

The table reveals that 42 percentages of sample respondents are willing to pay between 10000-20000 for smartphone, 27 percentages of respondents are ready to pay between 20000-40000 and only 6 percentage of sample respondents are willing to pay above 60000.

Table no 3: Payable smartphone

| Attributes | Frequency | Percentage |
|--------------|------------|------------|
| Below 10000 | 15 | 15 |
| 10000-20000 | 42 | 42 |
| 20000-40000 | 27 | 27 |
| 40000-60000 | 10 | 10 |
| Above 60000 | 6 | 6 |
| Total | 100 | 100 |

(Source: primary data)

Period of usage

The study shows that 46 percent of respondents are using their present smartphone for 1 to 3 years, 38 percent of sample respondents are using for less than one year and only 6 percent of respondents are using for 5-10 years.

Table no 4: Period of usage

| Attributes | Frequency | Percentage |
|------------------|------------|------------|
| Less than 1 year | 38 | 38 |
| 1-3 years | 46 | 46 |
| 3-5 years | 10 | 10 |
| 5-10 years | 6 | 6 |
| Total | 100 | 100 |

(source: primary data)

Favourite feature in current smartphone

While ranking the favourite features, the sample respondents ranked the first position for internet browsing, the respondents gave the second rank for the camera, the third rank for gaming and the last rank for other utilities.

Table no 5: Favourite feature

| Attributes | Mean |
|--------------------------------|------|
| Camera | 4.15 |
| Internet/browsing applications | 4.55 |
| Gaming | 3.58 |
| Text messaging | 3.18 |
| Music | 2.82 |
| Other utilities | 2.72 |

(source: primary data)

Satisfaction level

38 percent of respondents are highly satisfied with the current smartphone, 27 percentages of sample respondents are satisfied with a smartphone. 22 percent of respondents are moderately satisfied, 7 percentages of sample respondents are dissatisfied with smartphone and least 8 percentage of sample respondents are highly dissatisfied with a smartphone.

Table no 6: Satisfaction level

| Attributes | Frequency | Percentage |
|---------------------|------------|------------|
| Highly satisfied | 38 | 38 |
| Satisfied | 27 | 27 |
| Neutral | 22 | 22 |
| Dissatisfied | 7 | 7 |
| Highly dissatisfied | 6 | 6 |
| Total | 100 | 100 |

(Source: primary data)

➤ Problems of smartphone

The problem of the smartphone of sample respondents was analysed on the basis of opinion regarding the options when the brand is out of stock and the problems of the smartphone.

Brand is out of stock

The study shows 48 percent of sample respondents are ready to delay thier purchase, 24 percent of respondents purchase smartphone of the same brand, 22 percentage of respondents purchase different brand only 6 percentage of sample respondents will cancel their purchase when the smartphone is out of stock.

Table no 7: The brand is out of stock

| Attributes | Frequency | Percentage |
|---|------------|------------|
| Purchase a different brand | 22 | 22 |
| Delay purchase till Next time | 48 | 48 |
| Purchase other smartphone Of the same brand | 24 | 24 |
| Not buy | 6 | 6 |
| Total | 100 | 100 |

(source: primary data)

Problems of smartphone

The descriptive analysis of problems of the smartphone of sample respondents shows that the important problems are heating issue, battery complaint and poor storage facility. The other problems are related with connecting to WiFi network and connecting personal computer.

Table no 8: Problems of smartphone

| Attributes | Mean |
|---|------|
| Battery complaint | 3.94 |
| Poor storage capacity | 3.49 |
| Heating issue | 4.2 |
| Wi-Fi not connecting | 3.01 |
| Device not able to connect pc | 3.36 |
| Device not able to connect with Google sync | 2.77 |

(Source: primary data)

Correlation coefficient

H₀: There is no significant difference between monthly income of smartphone users and amount willing to pay for a smartphone.

H₁: There is significant difference between monthly income of smartphone users and amount willing to pay for a smartphone.

Correlation between monthly income of smartphone users and amount willing to pay for a smartphone.

| | | | | | |
|----------|----|----|----|----|---|
| X | 16 | 28 | 34 | 15 | 7 |
| Y | 15 | 42 | 27 | 10 | 6 |

Table no 9: The correlation coefficient between monthly income and payable amount

| X | Y | XY | X ² | Y ² |
|--------------|--------------|---------------|----------------|----------------|
| 16 | 15 | 240 | 256 | 225 |
| 28 | 42 | 1176 | 784 | 1764 |
| 34 | 27 | 918 | 1156 | 729 |
| 15 | 10 | 150 | 225 | 100 |
| 7 | 6 | 42 | 49 | 36 |
| Σ=100 | Σ=100 | Σ=2526 | Σ=2470 | Σ=2854 |

$$r = \frac{n\sum xy - \sum x * \sum y}{\sqrt{n\sum x^2 - (\sum x)^2} \sqrt{n\sum y^2 - (\sum y)^2}}$$

$$r = \frac{5*2526 - 100*100}{\sqrt{5*2470 - (100)^2} \sqrt{5*2854 - (100)^2}}$$

$$r = \frac{12630 - 10000}{\sqrt{12350 - 10000} \sqrt{14270 - 10000}}$$

$$r = \frac{2630}{\sqrt{2350} \sqrt{4270}} = \frac{2630}{48.48*65.35} = \frac{2630}{3168.168}$$

r = .83

The correlation coefficient between monthly income level and amount willing to pay for smartphone is .83. So there is a high positive correlation.

5. FINDINGS

From the study, it is found that most of the consumers are using smartphone for three years and majority of them are using single smartphone. Most of them are ready to pay between 10000 to 20000 for a smartphone. It is found that a favourite feature in smartphone for middle-aged consumers is internet browsing. The other attracting features are a camera, gaming

and text messaging. The prominent problem by middle-aged consumers while using smartphone is a heating issue and the other problems considering while usage is battery complaints, poor storage capacity, device not able to connect PC, Wi-Fi not connecting and device not able to connect Google sync. The study statistically verified and validated the association between monthly income of smartphone users and the amount they are willing to pay for a smartphone.

6. CONCLUSION

The study revealed that favourite feature in smartphone for middle-aged consumers is internet browsing. It is found that middle-aged consumers are influenced by advertisement on the internet while purchasing smartphone. The prominent factor influenced the purchase decision of smartphone by the middle-aged person is the popularity of brand. The most preferred brand among middle-aged person is Redmi. The other preferred brands are Huawei, Oppo and Samsung. The great advantage of smartphone is a wide range of functional services, quality, low price and convenience in usage. The prominent problem by middle-aged consumers while using smartphone is a heating issue so it is suggested that they should reduce and control the heating.

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