

“Purchasing behavior of youth consumers towards Smart Phones”, A case study in Tinsukia Town

Mr. Pawan Sharma, M.Com, LL.M. PGDJMC
Asstt. Professor, Commerce Faculty
G.S. Lohia girls' College, Tinsukia
Dibrugarh University, Assam

ABSTRACT : A smart phone is a mobile phone built on mobile operating system with enhanced and more advanced computing capability and connectivity than a normal mobile phone. The Smart phone combines the function of a personal digital assistant (PDA) with mobile phone. Later, models added the functionality of media players, digital cameras, video cameras and GPS navigation system to form one multi tasking device. Many modern smart phones also include high resolution camera with touch screen pad and web browser that display standard web pages. For high speed data accesses the smart phone includes Wi-Fi function and mobile broadband. In recent years the rapid of development of mobile applications and of mobile commerce has been drivers of smart phone adaption.

Now a days smart phones are the basic need of youth and they can't imagine their life without the smart phone as because Smart phones are being used for entertainment and due the introduction of new features every day. They have become more than just call making and receiving calls. Mobile phones handsets now have more business-friendly applications. With emerging technology, smart phones have become more than communication devices they are the tools to stay ahead of competitors and peers in the present times.

Key Words : Consumer, Consumer Behaviour, Youth ,Smart Phone

1.INTRODUCTION

1.1 Meaning

A smart phone with built-in, add-on applications and Internet (4G network) access. However, because of its capability to handle a great amount of applications and functions at the same time the concept of a smart phone slowly transitioned into definitions of a computer. The smart phone becomes more than a device for sending and receiving text sms and calls as it consists of various methods to interact with others in a more personalized way, compared to the traditional mobile phones. One of the significant differences between a feature phone and a smart phone is that a smart phone can install third-party applications from application store. Users are able to download and install application on their operating systems. Generally a

smart phone is based on a certain operating system that allows phone users to install applications on it. System includes Google's android, Apple's iOS, Nokia Symbian, Rim's Blackberry OS, Microsoft Windows phone, and Hewlett-Packard's web OS, etc. these applications must work together seamlessly and with the features of the phone. For example, pictures taken with the camera can be linked to the address book so that users can see who is calling. Navigation software uses addresses stored in the address book in combination with GPS data to facilitate data entry.

Smart phones have gained a lot of popularity and are considered to be great tools.

1.2 BRIEF ABOUT DIFFERENT BRANDS OF SMART PHONES



- **Microsoft (Nokia)** – It is a Finnish multinational communications and information technology company, founded in 1865. Nokia is headquartered in Espo, Uusimaa, in the greater Helsinki metropolitan area. In 2014, Nokia employed 61,656 people across 120 countries, conducts sales in more than 150 countries and reported annual revenues of around 12.73 billion.



- **Samsung** – Samsung is a South Korean multinational conglomerate company headquartered in Samsung Town, Seoul. Samsung was founded by Lee Byung-chul in 1938 as a trading company. Samsung maintained the top position in overall mobile

phone market and the smart phone segment during the quarter with market share of 18.2% and 27.8% respectively.



- **Motorola** – Motorola is an American multinational telecommunications company in United States with its headquarters located in Chicago, Illinois; designs wireless handsets. This includes cellular and wireless systems as well as integrated applications and Bluetooth accessories. The year 2001 witnessed Motorola becoming the fastest growing company in the consumer electronics.



- **Apple**– Apple is an American multinational technology company headquartered in Cupertino, California, that designs, develops and sells consumer electronics, computer software and online services. Apple was founded by Steve Jobs, Steve Wozniak, and Ronald Wayne, on April 1, 1976. Apple is the world's largest information technology company by revenue and the world's second largest mobile phone manufacturer. Apple's worldwide annual revenue \$233 billion for the fiscal year ended in September 2015.



- **Blackberry**– Blackberry is a line of wireless handheld devices (commonly called smart phones) and services designed and marketed by Blackberry Limited, formerly known as Research in Motion Limited (RIM). The most recent Blackberry devices are the Blackberry Prix, Blackberry Passport (original, AT & T version, and Silver edition), Blackberry Classic, and Blackberry Leap. The user interface varies by model; most had featured a physical Qwerty keyboard, while newer generations have relied on multi-touch screen and virtual keyboard.



- **Xiaomi**– Xiaomi was founded in 2010 by serial entrepreneur Lei Jun based on the vision “innovation for everyone”. We believe that high-quality products built with cutting-edge technology should be made accessible to everyone. We create remarkable hardware, software, and Internet services for and with the help of our Mi fans. We incorporate their feedback into our product range, which currently includes Mi and Redmi smart phones, Mi TVs and set-top boxes, Mi routers, and Mi Ecosystem products including smart home products, wear ables and other accessories.



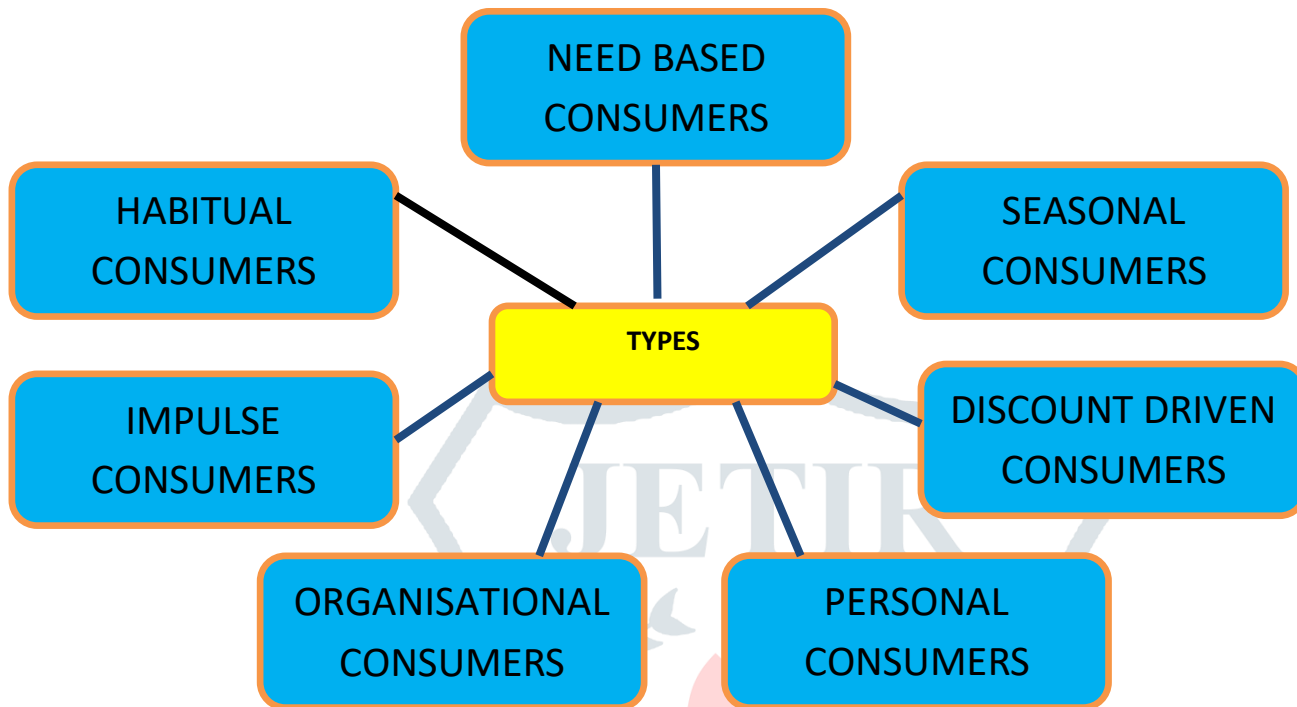
- **Vivo** - Vivo was founded in year 2009 by Shen Wei. Vivo Communication Technology Co. Ltd., known as VIVO is a Chinese technology company owned by BBK Electronics that designs and manufactures smart phones, smart phone accessories, software and online services, which are then sold in India. The company develops software for its phones, distributed through its Vivo App Store, with iManager included in their proprietary, Android based operating system, Funtouch OS.
- **Others**– There are many other branded and non-branded mobile phones which are of less competitive nature today. Branded mobile phones such as Oppo, Lenovo, Intex, Coolpad, etc. and the other non-branded mobiles which are not described above are included here.

1.3 Meaning of Consumer

A consumer is a person or an organization that uses economic services or commodities. A consumer is the one who pays something to consume goods and services produced. As such, consumers play a vital role in the economic system of a nation. Without consumer demand, producers would lack one of the key motivations to produce: to sell to consumers. The consumer also forms part of the chain of distribution.

1.4.TYPES OF CONSUMERS:

There are different types of consumers in the market for various goods and services. They are as follows:



- ***Need based consumers:*** Need based consumers are those types of consumers who buy goods and services when they need them and not any other time. Many of the products in a hardware store, for instance, are sold to need based consumers.
- ***Seasonal consumers:*** Many consumers purchase and consume products on a seasonal basis. They shop at certain times when the need for them arises.
- ***Discount driven consumers:*** Discount driven consumers are the type of consumers who purchase goods and services primarily for the discounts on offer. They may not engage in any buying activity until they hear or see large discounts being offered on products they like.
- ***Personal consumers:*** These types of consumers are individual consumers who purchase goods for the sole purpose of personal, family or household use.
- ***Organizational consumers:*** Organizational consumers purchase products for organizations, governments or businesses. They often buy in bulk and may place long-term recurring orders. For this reason, an organizational consumer is generally highly prized and sought after.
- ***Impulse consumers:*** Impulse buyers are consumers who make unplanned buying decisions. Impulse buyers make swift buying decisions and immediately purchase when they 'connect' with the product and its features. There is often some kind of emotional appeal.

- **Habitual consumers:** Habitual consumers are those who feel compelled to use certain brands or types of goods. Marketers work hard to create brand loyalty among this type of consumer.

1.5 CONSUMERS PURCHASING BEHAVIOUR

Consumer Purchasing behaviour is the sum total of a consumer's attitudes, preferences, intentions, and decisions regarding the consumer's behaviour in the marketplace when purchasing a product or service. The study of consumer behaviour draws upon social science disciplines of anthropology, psychology, sociology, and economics.

1.6 CHARACTERISTICS OF CONSUMER PURCHASING BEHAVIOUR:

The main characteristics of consumer Purchasing behaviour are:-

- It is a process where consumer decide what to purchase, when to purchase, how to purchase, where to purchase and how much to purchase.
- It comprises of both mental and physical activities of consumer.
- Consumer behaviour is very complex and dynamic which keeps on changing constantly.
- Individual purchasing behaviour is affected by various internal factors like his needs, wants, attitudes and motives and also by external factors like social groups, culture, status, environmental factors etc.
- Consumer behaviour starts before purchasing and even after purchasing.

1.7 OBJECTIVE OF THE STUDY

1. To study the gap between the expectations and satisfaction among the customers.
2. To identify the factors which are considered in choosing the brands.
3. To know the customer's perception regarding the brands.
4. To get the feedback of the customers in further improvements.

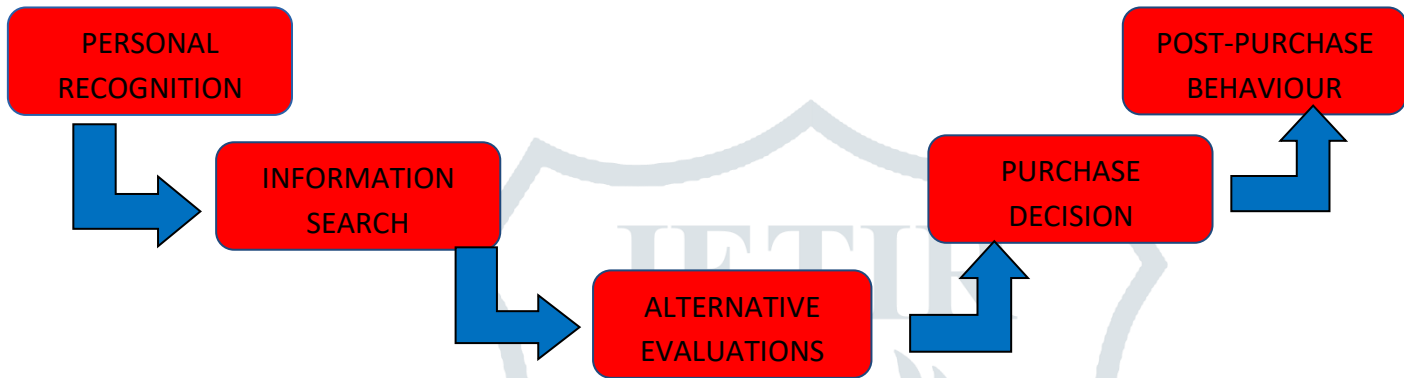
1.8 SIGNIFICANCE AND IMPORTANCE OF STUDY:

Customers are the pillar of any company. Without the support of customer, it is very difficult for the growth and development of a company in any competitive market. Consumer preference plays an important role in a company for the development of a product or service. The main significance of the study is to highlight an overall idea of youth consumer on different brands of smart phones. Beside this significance there are also some other importance of the study in the particular topic and they are –

- To know the personal view of youth people regarding various smart phones.
- To study which brand of smart phone is mostly preferred by youth as per their choice.
- To find out the factors influencing youth people at the time of purchasing smart phone such as Advertisement, Price, Appearance, Functions, Quality, Brand Image etc.

1.9 STAGES OF CONSUMERS PURCHASING BEHAVIOUR:

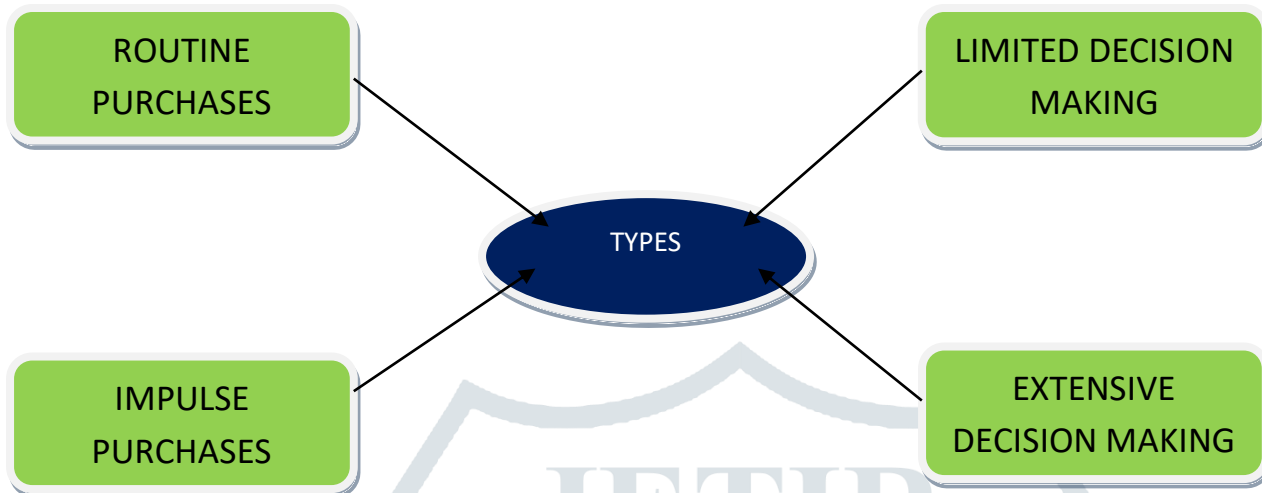
The different stages of consumer Purchasing behaviours are:-



- **Problem recognitions:** The first stage of consumer behaviours is problem recognition.
- **Information search:** A successful information search leaves a purchaser with possible alternative, the evoked set. He will search more or less information depending on the complexity of the choices to be made but also his level of involvement.
- **Alternative evaluation:** Once the information is collected, the consumers will be able to evaluate the different alternative that are offered to him and evaluate the most suitable for his needs and choose the one he think is best for him.
- **Purchase decision:** Now that the consumer has evaluated the different solution and product available for his need, he will be able to choose the product or brand that seem most appropriate to his need, and then proceed to the actual purchases itself.
- **Post purchase behaviour:** Once the product is purchased and used, the consumer will evaluate the adequacy with his original needs which caused the buying behaviours, and whether he has made the right choice in buying this product or not.

1.10 TYPES OF CONSUMER PURCHASING BEHAVIOURS:

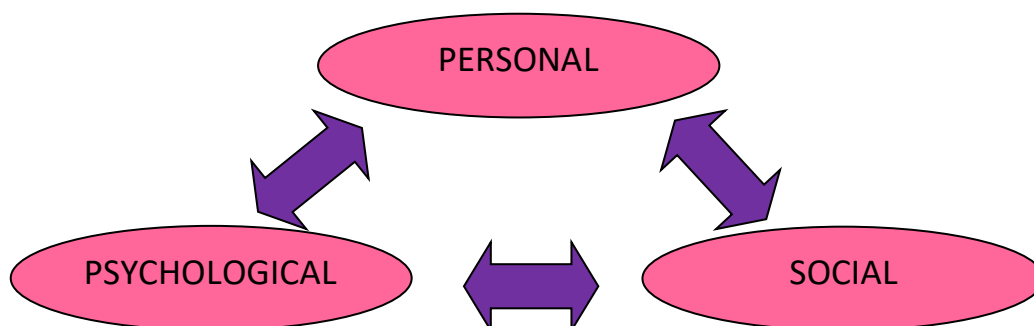
There are four types of consumer purchasing behaviours. They are:-



- **Routine purchases:** There are items consumers are used to purchase every day, once a week or monthly. Customer spends very little time deciding whether or not to purchase these items and don't typically need to read reviews. Example: milk.
- **Limited decision making:** When the individual buys a product occasionally. It requires a moderate amount of time for information gathering. Example: clothes.
- **Impulse purchases:** The purchases of the same product do not always elicit the same purchasing behaviours. Product can shift from one category to the next.
- **Extensive decision making:** When an individual purchases a product which is expensive and infrequently bought. This involves a high degree of economic/performance risk. Consumer spends a lot of time seeking information and deciding. Example: home.

1.11. FACTORS AFFECTING PURCHASING BEHAVIOUR OF CONSUMER:

- PERSONAL
- PSYCHOLOGICAL
- SOCIAL



The above mentioned factors are explained below:

- **Personal:** Purchasing decision is influenced by personal factors which consist of buyer's age, occupation, income, price of product, etc.
- **Psychological factors:** The psychological factors of consumer buying behaviours are –
 - **Motives** - A motive is an internal energizing force that orients person activities toward satisfying need or achieving a goal.
 - **Perception** – Perception is the process of selective, organizing and interpreting information input to produce meaning. Information input are sensations received through sight, taste, hearing, smell and touch.
 - **Ability & knowledge** – Need to understand individual capacity to learn. Learning change in a person's behaviour caused by information and experience. Therefore, to change consumer behaviours about your product need to give them new information.
 - **Attitudes** - Knowledge and positive and negative feeling about an object or activity may be tangible, living or non-living. Industry learn attitude through experience and interaction with other people.
- **Social cause:** Consumer want learning, motive, etc are influence by opinion leader, person's family, reference group, social classes and culture.
 - a) **Role & family influence** - Family is the most basis group a person belongs to marketer must understand:
 - (i) That many family decisions are made by family unit.
 - (ii) Consumer behaviours start in family unit.
 - b) **Culture & sub-culture** – Culture refers to the set of value, ideas and attitude that are accepted by homogenous group of the people and transmitted to the next generation.

2. RESEARCH METHODOLOGY

Research and methodology enable the team to organize their efforts into one cohesive and conceptual product idea generation task for us.

The process used to collect information and data for the purpose of making business decision. The methodology may include publication research, interviews, survey and other research techniques and could include both present and historical information.

2.1 Sources of Data

In this research both primary and secondary data were considered. Primary data were collected directly through the well designed structured questionnaire and schedule and secondary data were collected through the various published journals, research articles, periodicals etc.

Primary Data :- Means those data which are collected first time and they are in original form. The Explanation of primary and secondary source of data are given as under :-

- **Primary Source:** For the purpose of this study, a well-designed structured questionnaire to collect the relevant information pertaining to the customer preference and satisfaction of different smart phones has been prepared. After the construction of the questionnaire these have been administered to the respondents in the study area and their response are properly recorded for generalization. The primary data was used because the primary data helps to collect original information regarding the field or problem under investigation as primary data are more accurate and provide scope as it is possible to test its validity.
 - **Secondary Source:** Collection of secondary source is also essential to support the primary data. The secondary source may be in hard form or soft form. The hard form is in the nature of books, referred journals, newspapers etc. And information collected from internet falls under soft form. The relevant secondary data has been collected from various sources like magazines (e.g. The Economic Times By Gulveen Aulakh, ET Bureau / Oct 23, 2017), books (e.g. Kothari CR (2016), Research Methodology “Methods and Techniques,” New Age International Publication, New Delhi, 2nd Edition), newspapers (e.g. <http://www.telegraph.co.uk/technology/mobile-phones/9365085/Smartphones-hardly-used-for-calls.html>). In addition of internet (e.g. <http://en.wikipedia.org/wiki/Smartphone> etc) has also been searched for collection of secondary data.
-
- **Sampling Design:** Keeping in mind the objectives and scope of the study, it is decided to Choose 50 respondents as sample. With the help of the questionnaire the conclusion made and suggestion provided.
 - **Instruments for data collection:** Primary data was collected with the help of Interview Schedule, for which close-ended structured questionnaire was prepared. The information was collected from the respondents with the help of structured questionnaire. Structured questionnaire involves the use of predetermined n and the respondent is invited to limited-option responses.

2.2 MAJOR FINDINGS OF THE STUDY:

The major purpose of this study is to analyze youth consumer perception towards smart phones by finding the factors which influence consumer of smart phone purchase. The result in this study shows that branding, product design, product performance and price have the influence on the youth 's buying decision process, which echoes to the literature that whether the product satisfy people's need, appearance, branding and cost of smart phone can affect consumer behaviour.

So this study is conducted with a view to find out the customer perception towards different smart phones.

On the basis of analysis of the data collected from the respondents the following are the major findings of the study:-

- ❖ The survey indicates that the majority of the surveyed respondents own a smart phone i.e. 80%.
- ❖ The survey indicates that the maximum respondents own the smart phone of the brand "VIVO" i.e. 34%.
- ❖ The survey indicates that around 40% of the respondents are both satisfied and very satisfied with the brand of smart phone they own.
- ❖ The survey indicates that 50% of the respondents say "YES" that they will buy the same brand new smart phone again.
- ❖ The survey indicates that 50% of the respondents prefer buying smart phones from company showroom itself.
- ❖ The survey indicates that 90% of the respondents prefer buying touch screen smart phones.
- ❖ The survey indicates that 26% of the respondents prefer buying smart phone in the range of ₹ 10,000 to ₹ 20,000.

2.3 RATIONALE OF THE STUDY:

The project is basically a survey undertaken for the purpose of examining the youth customer perception towards different smart phones. The underlying ideas of the survey is to see that what were the various factor that were involved in the decision making to select a particular brand among different other brands of smart phones available in the market and their satisfaction level towards their selected brands. In today's era as communication is the basic need of an individual for his personal as well as official use. So the study highlights that a smart phone is playing an important role in the entire society specially the youth of country.

3.CONCLUSION AND RECOMMENDATION

3.1.CONCLUSION

The main purpose of the study is to examine the customer perception among the various smart phones available in which 20 questionnaires were distributed on proportionate basis.

In this modern era, a smart phone is just not only the want but also a need if you know how to make proper use of it. With it, you can surf the internet with just a touch in a smart phone, whether to read the breaking news, or compare the prices or features of a product while shopping, booking the travel tickets and so on. As the research is mostly concerned with the customer perception towards smart phone it can be concluded that majority of the respondents of the study are aware about the various facilities like E-mail, Video call, GPRS etc in their smart phone. The study also helped to determine each factor like Price, Services available, Performance, Television Ads, Advertisements, etc which influenced the customers and helped them in purchase decision making process which result in consumer buying a smart phone.

3.2 RECOMMENDATIONS:

In order to extend the facilities and satisfaction level of smart phones few suggestions have been recommended by the user as:-

- Considering the increasing number of smart phone user and in order to provide better services to the customers, it is suggested to increase the number of Smart phones Stores.
- Price of the smart phone should be decreased. More smart phones should be available within the range of ₹ 5000 - ₹ 10000.
- Software Update should be frequent in all smart phones.
- The features provided in a smart phone should be enhanced including the battery backup, colour, internal memory etc.
- Satisfactory services should be provided by the Service Centre.
- Smartphone companies should increase awareness about the 5G facility in smart phones.
- Companies should also launch more smart phones with standard quality for lower classes as this will help company to reach more consumers.

3.3 SCOPE FOR FURTHER RESEARCH:

As the present study is carried out under given circumstances there is an ample scope of conducting further research work such as:-

- ❖ A recommendation for further research in this field is to conduct the study with a larger sample as larger sample will help in analyzing the customer perception more accurately.

- ❖ As the study was primarily based on youth of Tinsukia there is scope of undertaking research on other sections of the society.

3.4 LIMITATIONS OF THE STUDY:

- ✓ A small sample size of 60 respondents is taken, so we cannot draw inferences about the population from this sample size.
- ✓ Time period is short and resource constraints
- ✓ This study is based on the prevailing respondents satisfaction. But the respondents satisfaction may change according to time, fashion, technology, development, etc.
- ✓ This study was based on youth of Tinsukia only.

REFERENCES

- 1.Kothari CR (2016), Research Methodology “ Methods and Techniques,” New Age International Publication, New Delhi, 2nd Edition
- 2.Kotler and Armstrong, 2010. Principle of marketing.3th Edition., Pearson Education
- 3.[http : //www.google.co.in](http://www.google.co.in) .
- 4.[http : //en.wikipedia.org/wiki/Smartphone](http://en.wikipedia.org/wiki/Smartphone).
- 5.[WWW.SAMSUNG.COM /a-brief-history-of-smart phones](http://www.samsung.com/a-brief-history-of-smart-phones).
- 6.[http : //en.wikipedia.org/wiki/Nokia](http://en.wikipedia.org/wiki/Nokia).
- 7.[http : //en.wikipedia.org/wiki/Samsung](http://en.wikipedia.org/wiki/Samsung).
- 8.[http : //en.wikipedia.org/wiki/Motorola](http://en.wikipedia.org/wiki/Motorola).
- 9.[http : //en.wikipedia.org/wiki/Apple](http://en.wikipedia.org/wiki/Apple).
- 10.[http : //en.wikipedia.org/wiki/Blackberry](http://en.wikipedia.org/wiki/Blackberry).
- 11.[http : //en.wikipedia.org/wiki/Xiaomi](http://en.wikipedia.org/wiki/Xiaomi).