



# A STUDY ON BUYING BEHAVIOUR OF YOUNG CONSUMERS IN SELECTING SMART PHONES IN CHENNAI

KARTHIK RAJA S, STUDENT, SCHOOL OF BUSINESS ADMINISTRATION, SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI, INDIA

Dr.NITHYASHANKAR, ASSISTANT PROFESSOR, SCHOOL OF BUSINESS ADMINISTRATION, SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI, INDIA

**ABSTRACT:** Smart phone has become an integral part of human life. With the increasing use of technology for mediating communication, it is used for both personal and organizational use. In today's modern life it plays a predominant role since Smart phones these days are used by people at all levels across the world.

In recent years, the adoption of Smart phones has been exceptionally rapid in many parts of the world, and especially in India where Smart phones are nowadays almost as common as wrist watches. Smart phones have been turned into more of a necessity for people than a luxury.

This Study tries to understand the buying behavior of young consumers in selecting smart phones in Chennai by surveying 120 consumers in Chennai. This study also tries to identify the factors that influence their purchase decision on Smart phones and also their satisfaction level on all the factors that influenced their purchase decision. This study helps the marketer to analyze the young consumer's psychology and position itself better in the market.

**Keywords-** Smartphones – integral –human life – predominant role – luxury – purchase decision.

## I. INTRODUCTION:

The increasing interest in smartphones among the people is the main reason that has amplified the interest to research the topic. People's obsession about smartphones has been increasing rapidly. The aim of this research is, therefore, to find out consumer behavior of smartphone buyers in Indian Market. The research aims to find out the reasons behind people purchasing smartphones, the factors influencing the purchase decision and the motivations behind the purchase decision.

Different consumers have different characteristics in their life that also influences their buying behavior. Social factors such as family, groups, roles and status) and personal factors (such as age, occupation, lifestyle, personality and self- concept) are those characteristics that could influence the buyer behavior in making the final decision.

Even when cheaper smartphones are available in the market, why do people buy expensive smartphones? Price, quality, brand, country of origin, marketing, sales, word of mouth, etc. could be several factors that a consumer may think before buying a smartphone. How much does the brand of a smartphone affect the buying decision of a customer? As there are various types of smartphones available in the market with a varying price; what is the difference between them? And how they impact the customer buying decision?

This research also aims at the marketing strategy of the smartphone companies to influence the buying behavior of the customer. These strategies include Promotional campaigns, Tie-Ups with the network carrier, etc.

## II. OBJECTIVES OF THE STUDY

- To know the young consumer buying behavior towards mobile phones in Chennai city.
- To find out the factors that influences the young consumers to buy Smart Phones
- To analyze the factors that influence and eventually motivate the young consumer to buy a smartphone in Chennai.
- To determine the satisfaction level of their mobile phone factors which influenced their buying

## III. REVIEW OF PAST STUDIES:

**Dr.P.Thirumoorthi, G.Boobalan, (2015)** the aim of their study is to create an assessment of the symbolic devices that celebrity and peers adopts to persuade the audience. The visual expression model is supported in that the study suggests why advertisers use celebrities of different gender and age groups and expertise areas in commercials for certain products and cultural values.

**Perotti, V.; Widrick, S (2015)** their study examines the shopping and buying behavior of younger and older online shoppers as mediated by their attitudes toward internet shopping.

**Leon G. Schiffman, Leslie Lazar Kanuk, Mallika Das (2015)** According to them, An individual who purchases products and services from the market for his/her own personal consumption is called as consumer.

**Preetam Sahu, Dr. Archana Agrawal (2015)** their study focuses on the consumers perception and buying behavior towards various mobile brands, customer preference level associated with different mobile phones, major features which a customer looks for in a mobile before making a purchase and factors that influence decision- making in purchasing a mobile phone.

**Arif Shahbaz (2015)** their paper investigated the factors affecting mobile phone purchase decision in the Greater Accra Region of Ghana, using a binary logit regression model approach. Through a multiple-stage random sampling technique, structured questionnaire was used to collect primary data from 200 mobile phone users in four districts in the study area. Results of the descriptive statistic show that Nokia and Samsung phones were the two main brands of phones used by majority of the respondents interviewed. In addition, of the 54 percent of respondents who expressed their intention to acquire new phones majority were male, between the ages of 21-30 years and has tertiary level of education

**Dr. D.S. Chaubey (2015)** they found out that In recent years, the adoption of mobile phones has been exceptionally rapid in many parts of the world, and especially in India where cellular phones are nowadays almost as common as wrist watches. While mobile phone usage is rather an unexamined field in academic literature, this exploratory study attempts to investigate consumer purchasing motives in cellular phone markets.

#### **IV METHODOLOGY**

In this research we used an image based presentation in conjunction with other text based questions to support our hypotheses. We conducted a survey containing pictorial representations of specific Mobile phones with Price, Brand and Brand ambassador. The observers were provided limited amount of time (4 seconds) to take a decision for buying the phone. The observers (Students in the age group of 22-26 yrs) were also asked to respond to text based questions which asked them the importance of Price, Brand and Brand Ambassador in their buying decision. Based on their instant responses for buying a product the study tries to correlate the responses on text based questions and image-based questions to ascertain if the buyers really have a strong impact of Price, Brand and Brand Ambassador in their buying decisions. Another objective of the study is to ascertain dependency on an image-based survey while evaluating buyers' responses to achieve a true representative analysis of buying decisions, provided the image-based questions are designed appropriately to extract accurate information.

**HYPOTHESIS-1**

**Null hypothesis (H0):** There is no significant difference in the purchase behavior level between marital status.

**Alternate hypothesis (H1):** There is significant difference in the purchase behavior level between marital status.

**TABLE -1 T-Test analysis for marital status**

FACTORS	Marital status		t value	p value	Significance
	Married	Unmarried			
Brand	.28	.34	.475	.873	Not Significant
Price	.22	.29	.694	.635	Not Significant
Features	.33	.26	.552	.898	Not Significant
Design	.94	.73	.886	.457	Not Significant

\*The level of significance is tested 0.05

**INFERENCE:**

Since the p value is greater than 0.05, then (H0) null hypothesis is rejected (H1) Alternate hypothesis is accepted. Hence, there is no significance association between marital status. **HYPOTHESIS-2**

**Null hypothesis (H0):** There is no significant difference between Age in regards to purchase behavior level.

**Alternate hypothesis (H1):** There is significant difference between Age in regards to purchase behavior level

TABLE-2 Anova analysis for Age

FACTORS	AGE					F VALUE	P VALUE	Significance
	0-10	1-30	31-40	41-50	50 & above			
Design	.82	.17	.52	.07	.00	.112	.003	Significant
Quality	.73	.62	.59	.40	.22	.169	.596	Not Significant
Brand	.45	.09	.00	.07	.22	.874	.107	Not Significant
Features	.18	.53	.63	.07	.89	.860	.439	Not Significant
								Significant

\*The level of significance is tested at 0.05

### INFERENCE:

Since the P value is  $< 0.05$ , then (H<sub>0</sub>) null hypothesis is rejected there is no significance difference between quality, brand, features. There is a significance between design is accept alternate hypothesis

### HYPOTHESIS-3

**Null hypothesis (H<sub>0</sub>):** There is no significant difference between incomes in regards to purchase behavior level.

**Alternate hypothesis (H<sub>1</sub>):** There is significant difference between incomes in regards to purchase behavior level

**Table-3 Anova analysis of income**

FACTOR S	Income					F value	p value	Significance
	Less than 10k	10,000 to 20,000	20,000 to 30,000	30,000 to 50,000	Greater than 50,000			
Design	2.10	2.47	2.88	3.11	5.00	2.871	0.000	Significant
Quality	2.55	2.40	2.58	2.89	5.00	2.835	0.027	Not Significant
Brand	2.29	2.13	2.17	2.67	5.00	2.603	0.165	Not Significant
Features	2.13	2.60	2.25	2.78	5.00	2.948	0.092	Not Significant

\*The significance level is tested 0.05

### INFERENCE:

Since the P value is  $<0.05$ , then (H<sub>0</sub>) null hypothesis is rejected there is no significance difference between quality, brand, features. There is a significance between design is accept alternate hypothesis.

### CONCLUSION

The objective of this research was to investigate the underlying factors that determine the decision to purchase mobile phone devices. According to the study, majority of the consumers own Apple smart phones. Moreover, most of Apple mobile phone users have a plan to shift to other brands such as Samsung, Apple and BlackBerry. According the Pearson correlation results, price is the dominant factor affecting the decision to buy mobile phone. Secondly, the features incorporated in a mobile hand set are the most important factor which is considered by the consumers while purchasing the mobile phone.

However, all features of mobile phones are not equally important. The other factors equally correlated and

have moderate relationships with the decision to buy are brand name and durability of mobile phones. Both the factors are highly associated with the quality of mobile phone devices. The least correlated factors are after sales service and social influences.

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