

A study on Youth Buying Behaviour and Brand Preference towards Mobile Phones in Thrissur District

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Abstract: 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. Today different brands of mobile phones are available to users. Mobile phones are one of the modern telecommunication technologies that have emerged over past decades to facilitate communication among people and across countries. Thus, the present study focuses on 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. This study also helps to know the consumers satisfaction level towards different branded mobile phones.

Key words: purchase behavior, telecommunication technologies, consumers satisfaction, brand preferences and Cell phones

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I. Part

1.1 Introduction

Today different brands of mobile phones are available to users. Mobile phones are one of the modern telecommunication technologies that have emerged over past decades to facilitate communication among people and across countries (Dziwornu, 2013). According to the oxford dictionary the word mobile is derived from the Latin phrase 'mobile vulgus'. Which means excitable crowd. In human life there is the great change in standard of living by the invention of mobile phones? As we all familiar cell phones did not just happen overnight. They evolved just like us. Cell phones has evolved over five different generations, the latest of which is still being adopted by users. By the time most of us will have switched to 4G and there will be undoubtedly be yet another standard to aspire.

As we all know that first mobile phone launched in India during 1990's and first mobile company which was established is *Nokia*. In the year 1995, the first service provider Modi group which was established in Kolkata. Now India is second largest user of mobile phones that is accountable for 1,034,253,328 mobile phones. These indicates how widely mobile phones are accepted. There are many available brands to users like Samsung, Micromax, Lenovo, Motorola, Intex, Lava, Xiaomi etc. As we can that youth is more attracted to mobile phone usage. The current mobile market has close relationship with the youth. Whenever a new multimedia or electronic gadget is launched, just see the queue in any outlet you will see large number of youngsters filling the crowd. This shows the growing popularity of mobile phones among youngsters. This study seeks to analyze the brand preferences among youth.

1.2 Statement of Problem

During 19th century markets was not so competitive. There was very few brands competing in the market and there were people using mobile phones as they used to be very expensive. During 20th century many new brands of mobile phones have been introduced in the market. Even in our country new telecommunication companies have been established making the service very cheaper so that the service can be utilised by every common people of the country. Today mobile phones start from Rs.1000 to Rs.1,00,000 because of which today people have lots of options regarding mobile phones. Mobile phones have become very common to the people and life has become almost impossible without mobile phone.

To compete in a market many cheaper mobile phones have been introduced in a market especially from India and China providing additional accessories and feature to customers. But there is a question regarding selection brands by consumers and factors affecting while purchasing mobile phones study therefore, desirable to identify the brand preferences among youth.

1.3 Scope and significance

The scope of research is based on mobile brands and it throws light on brand preference on mobile phone. This study is highly significant and useful to know the youth preference while purchasing mobile phones.

1.4 Objectives of the study

- 1.4.1 To analyze the factors influencing the buying behavior of youth on mobile phones
- 1.4.2 To analyze brand preference on mobile phone among youth

1.5 Hypotheses of the study

- 1.5.1 There is significant association between family income and the willingness to pay for the mobile phone.
- 1.5.2 There is a significant contrast among the reactions of male and female respondents with respect to the purchasing intent or recommending the same brand of mobile phones in near future.
- 1.5.3 There is significant difference in the opinion among the respondents towards their mobile phone brand.
- 1.5.4 Innovative features motivate the consumer to purchase the mobile phone.
- 1.5.5 Brand choice depends on features of the mobile phones.

1.6 Research methodology

1.6.1 Research design

The study is descriptive in nature. It includes survey and fact finding enquires of different kind. The major purpose of this research is on buying behavior and brand preference of mobile phones among youth.

1.6.2 Sample design

Population The study is conducted on brand preferences of mobile phones among youth.

Sampling frame To study the whole population and in order to arrive at conclusion would be impractical, since it is not practical to include all youngsters in the area of data collection. It was considered to draw the sample. The sampling method is used in this study is purposive sampling under the non-probability method of sampling.

1.6.3 Sample size

For the purpose of testing factor analysis and chi-square test need minimum 50 samples, therefore 50 respondents were selected to constitute the sample size for the study. Among 50 samples 22 samples represents males and 28 are females.

1.6.4 Data collection

Source of data

Data were collected from both primary and secondary sources. The primary data were collected through structured questionnaire based on objectives. The secondary data were collected from books and websites.

1.7 Tools for analysis

The collected data has been analysed with the help of both relevant descriptive and inferential statistics viz, mean, standard deviation, factor analysis and chi-square test and regression analysis.

II. Part

Data analysis and findings

In order to analyze the association between family income and willingness to pay for mobile phone purchase Chi-square test was performed with the following assumptions.

Ho: There is no significant association between family income and the willingness to pay for the mobile phone.

H₁: There is significant association between family income and the willingness to pay for the mobile phone.

Table no.2.1 Chi-Square Tests of family income and willingness to pay

	Value	Degree of freedom	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.186	9	.024
Likelihood Ratio	23.096	9	.006
Linear-by-Linear Association	9.649	1	.002
N of Valid Cases	50		

Source: spss output

Karl Pearson chi-square came out to be 19.186 and the significant value as 0.024. This value being less than .05 (level of significance), clearly indicates that there is significant difference in the family income and respondents willingness to pay for mobile phone purchase.

In order to find out if there is any difference in pattern of purchasing intent on gender basis; Chi-square test was performed taking gender as variable.

H₀: There is no significant distinction among the reactions of male and female respondents with respect to the purchasing intent or recommending the same brand of mobile phones in near future.

H₁: There is a significant contrast among the reactions of male and female respondents with respect to the purchasing intent or recommending the same brand of mobile phones in near future.

Table no.2.2 Chi-Square Tests of gender and purchasing intent in near future

	Value	Degree of freedom	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.395	1	.238
Likelihood Ratio	1.467	1	.226
Linear-by-Linear Association	1.367	1	.242
N of Valid Cases	50		

Source: spss output

Pearson chi-square value is 1.395 and the associated significant value as 0.238. This value being more than .05 (significance level), clearly indicates that there is no distinction in the reactions on the premise of gender which implies the Null hypothesis is accepted.

In order to identify whether there is any difference in the opinion among the respondents towards their mobile phone brand. Chi-square test was performed taking gender as variable. Results are shown in Table 2.3 for this the following hypothesis was set up.

H₀: There is no significant difference in the opinion among the respondents towards their mobile phone brand.

H₁: There is significant difference in the opinion among the respondents towards their mobile phone brand.

Table no.2.3 Chi-Square Tests of gender and likes/dislikes about the current mobile phone brand

	Value	Degree of freedom	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.613	1	.106
Likelihood Ratio	2.704	1	.100
Linear-by-Linear Association	2.561	1	.110
N of Valid Cases	50		

Source: spss output

Pearson chi-square value is 2.613 and the associated significant value as 0.106. This value being more than .05 (significance level), clearly indicates that there is no distinction in their likes and dislikes towards the mobile phone brands. It means that the Null hypothesis is accepted.

2.2 Factor analysis

Factor analysis is a statistical method for reducing large number of variables to a small number of components or factors and used to describe the variability among observed, correlated variables in terms of potentially lower number of unobserved variables called latent factors. It is used as a data reduction method. It may be used to uncover and establish the cause and effect relationship between variables or to confirm a hypothesis.

Table no.2.4 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.765
Approx. Chi-Square		591.907
Bartlett's Test of Sphericity	Df	153
	Sig.	.000

KMO and Bartlett's Test table shows the appropriateness of factor analysis technique the correlation between the variables is checked and Keiser-Meyer-Olkin (KMO) measure of sample adequacy is also used for the same. The test statistics for sphericity is based on Chi-square transformation of the determinants of the correlation matrix. Further, KMO compares the magnitude of the observed correlation coefficient to the magnitude of the partial correlation. The Small value of KMO indicates that the correlation between pairs of variables cannot be explained by other variables and factor analysis may not be appropriate. Generally a value greater than .5 is desired for the test statistic. The approximate Chi-square value is 591.907 with 153 degree of freedom, which is significant at 0.05 level of significant. The value of KMO statistic, 0.765 is also larger than 0.5. Thus, factor analysis may be considered as appropriate technique for analyzing the correlation matrix.

Table no.2.5 Communalities

	Initial	Extraction
Price	1.000	.794
Camera	1.000	.803
Battery	1.000	.741
Screensize	1.000	.574
Style/looks	1.000	.745
Security option	1.000	.681
Volume	1.000	.602
Keypad	1.000	.784
bluetooth	1.000	.801
Wi-fi	1.000	.906
Userfriendly	1.000	.729
Dual SIM card	1.000	.667
Operating system	1.000	.847
4G	1.000	.782
Brandname	1.000	.756
weight	1.000	.804
New arrivals	1.000	.875
Convenience to carry	1.000	.755

Extraction Method: Principal Component Analysis.

As per table 2.5 shows how the variance (i.e. the communality value which should be more than 0.5 to be considered for further analysis). In this study, factor analysis was carried out in two stages. In stage one; known as the factor extraction process, objective was to identify number of factors to be extracted from the data.

Table no.2.6 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Price	7.681	42.671	42.671	7.681	42.671	42.671	4.658	25.879	25.879
Camera	2.291	12.725	55.396	2.291	12.725	55.396	2.593	14.408	40.287
Battery	1.463	8.131	63.527	1.463	8.131	63.527	2.249	12.492	52.779
Screen size	1.157	6.429	69.956	1.157	6.429	69.956	2.095	11.641	64.420
Styles/looks	1.054	5.853	75.808	1.054	5.853	75.808	2.050	11.388	75.808
Security option	.769	4.274	80.082						
Volume	.634	3.524	83.606						
Key pad	.497	2.762	86.368						
bluetooth	.493	2.740	89.108						
Wi-fi	.451	2.504	91.613						
User friendly	.349	1.937	93.549						
Dual SIM card	.293	1.630	95.179						
Operating system	.236	1.311	96.490						
4G Network	.197	1.095	97.586						
Brand name	.152	.847	98.432						
Weight	.138	.766	99.198						
New arrivals	.094	.522	99.720						
Convenience to carry	.050	.280	100.000						

Extraction Method: Principal Component Analysis.

Using principle component analysis, 18 variables were extracted by 5 factors. It means that the factors having latent roots or Eigen values greater than 1 were considered significant and all other factors having Eigen value less than 1 were considered insignificant and were discarded. All the five factors together accounted 75.80% of total variance.

Table no.2.7
Rotated Component Matrix^a

Si.no		Component				
		1	2	3	4	5
1	price	.000	.118	.807	.273	.231
2	Camera	.348	.403	.135	.705	-.061
3	Battery	.217	.446	.677	.054	.184
4	Screensize	.334	.464	.367	.325	-.083
5	Style/looks	.261	.753	.092	.280	.151
6	Security option	.426	.636	.154	.233	.132
7	Volume of speaker	.634	.348	.275	.059	.007
8	Keypad	.756	.314	-.102	.301	.115
9	Bluetooth	.839	-.132	.113	.124	.226
10	Wi-fi	.829	.391	.015	.255	-.028
11	Userfriendly	.489	.125	.669	.119	.114
12	Dual SIM card	.739	.063	.279	.129	-.150
13	Operating system	.812	.072	.142	.179	.360
14	4G network	.153	.050	.223	.837	.083
15	Brandname	.460	.042	.079	.551	.483
16	Weight	.081	-.005	.376	.086	.806
17	New arrivals	.106	.375	.039	-.002	.849
18	Convenience to carry	-.258	.687	.332	-.190	.266

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 13 iterations.

In the rotated component matrix, each number represents the partial correlation coefficient between variable and the rotated component. These coefficients help in identifying the component. All the variables that have higher loadings for a given component define the component.

Table no.2.8 Attributes Influencing the Consumer for Purchase of Mobile Phones

Factor No.	Variables No.	Variables name	Factor loading	Name of Dimension
F1	1	Volume of speaker	.634	Technical Features
	2	Key pad	.756	
	3	Bluetooth	.839	
	4	Wi-fi	.829	
	5	Dual SIM card	.739	
	6	and operating system	.812	
F2	1	Styles/looks	.753	Appearance
	2	Security option	.636	
	3	Convenience to carry	.687	
F3	1	Price	.807	User friendly
	2	Battery	.677	
	3	User friendly	.669	
F4	1	Camera	.705	New or additional features
	2	4G network	.837	
	3	Brand name	.551	
F5	1	Weight	.806	Basic Attributes
	2	New arrivals	.849	

In total, it is found that the technical features are most considered attributes of mobile phone followed by looks, image and resource, basic attributes includes design and appearance.,

2.3 Regression analysis

Here an attempt is made to analyse the components which affects and motivate the consumer to purchase the mobile phone. Whether these components of the mobile phones depend on the brand choice was measured using regression analysis through SPSS. For this the following hypothesis was set up.

H₀: Innovative features do not motivate the consumer to purchase the mobile phone.

H₁: Innovative features motivate the consumer to purchase the mobile phone.

Table no.2.9 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.264 ^a	.070	.009	3.577

a. Predictors: (Constant), f3screensize, f2weight, f1phonesize

The adjusted R-square in the table 2.9 shows that the dependent variable (brand choice) is affected by 7 % by the independent variables like phone size, weight and screen size. This result shows that all these independent variables are not much responsible for affecting the brand choice of the youths.

Whether the regression model was significant or not is tested with the help of ANOVA.

Table no.2.10 ANOVA^a

Model	Sum of Squares	Degree of freedom	Mean Square	F	Sig.
1 Regression	44.185	3	14.728	1.151	.339 ^b
Residual	588.535	46	12.794		
Total	632.720	49			

a. Dependent Variable: brand

b. Predictors: (Constant), f3screensize, f2weight, f1phonesize

The ANOVA table is showing the level of significance. It is clear from table 2.10 that all factors namely phone size, weight and screen size are related to brand choice and the relationship between them is not significant as compared to alpha value of 0.05.

In order to analyse the features of mobile phones which influences the brand choice, whether the features or attributes of the mobile phones depend on the brand choice or not, it was measured using regression analysis through spss. For this the following hypothesis was set up.

H₀: Brand choice does not depend on features of the mobile phones.

H₁: Brand choice depends on features of the mobile phones.

Table no.2.11 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.383 ^a	.147	.005	3.585

a. Predictors: (Constant), financial ability, stylish appearance, after sales service, risk reduction, brand image, promotional tools, durability

The adjusted R-square in the table 2.11 shows that the dependent variable (brand choice) is affected by 14 % by the independent variables like financial ability, stylish appearance, after sales service, risk reduction, brand image, promotional tools, durability. This result shows that all these independent variables are not much responsible for affecting the brand choice of the youths.

Whether the regression model was significant or not, tested with the help of ANOVA

Table no.2.12 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	93.000	7	13.286	1.034	.422 ^b
Residual	539.720	42	12.850		
Total	632.720	49			

a. Dependent Variable: brand

b. Predictors: (Constant), financial ability, stylish appearance, after sales service, riskreduction, brand image, promotional tools, durability.

The ANOVA table is showing the level of significance. It is clear from table 2.12 that all factors namely financial ability, stylish appearance, after sales service, risk reduction, brand image, promotional tools, durability are related to brand choice and the relationship between them is not significant as compared to alpha value of 0.05. It indicates that the p-values are greater than the associated alpha value of 0.05.

III. Part

Findings, Suggestions And Conclusion

From the study it is understood that most of the samples agree that Samsung is the most preferred brand among the chosen brands of the study. Some of the respondents have made suggestions for improving the features of the phones for increasing the chances for the selection of the brands. Most of the respondents would

not like to change their present phones but there are certain respondents who would like to change their phones to other brands due to the dissatisfying features.

Suggestions

- Update the style and looks of the phone.
- Upgrade the technologies of the mobile phones to cop up with current market preferences.
- Improve the resolutions of the camera of the phones.
- Up gradations in the speed of the phones is necessary so that it decrease the hanging difficulty of phones.
- The purchase price of the mobile phones must be made reasonably so that it can be purchased by everyone evenly.
- The heat energy produced from the phones should be reduced.
- Increase in the phone memory will enable the brands to be selected more.
- The performance of the phones after periodic up gradations of operating systems must be enhanced.

Conclusion

This study was conducted to determine the brand preference and buying behaviour of mobile phones among youth. It is very clear from the analysis that Samsung is the mostly preferred brand. There are many features which determines the selection of mobile phone brands like price, camera, battery, screen size, styled/looks, security option, volume, keypad, Bluetooth, wifi, user friendliness, dual sim facility, operating system, 4G facility, weight of the phone, new arrivals, convenience to carry the phones etc.

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