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KEY WORDS:

A STUDY ON CONSUMER PERCEPTION TOWARDS SMART PHONE

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ABSTRACT

The perception of consumers toward smart phone is increasingly as a focus of marketing research. In particular, consumer's behavior in smart phone industry, from adoption motivation to post-usage behavior it has become a major focus of research in the field of marketing, especially within consumer perception. The results of the research confirm that regulatory focus has an influence on consumer perception towards Smart phone purchase decision by affecting their perception, motivation and lifestyle. As, India is one of the fastest growing economies in the world, the smart phone industry in India is growing very fast and for consumer's in market smart phone has become essential parts of personal and business life. There is a continuous increase in disposable income; there has been a major shift in the attitude and aspirations of the consumers. This research is to analyses the external and internal factors which are influencing in a consumer in purchasing a smart phone. The research also focuses on consumer attitude for smart phone and influence of brand on consumers in buying decisions. The recent growth of smart phone usage is an observable fact that crosses all age and gender boundaries. Hence, this research explores through quantitative analysis some of the key factors believed to affect consumer's attitudes and perception towards smart phone purchase.

INTRODUCTION

The increasing trend in Smartphone among the people is the main reason that has amplified the interest to research on the topic. People's obsession about the Smartphone has been increasing rapidly. The aim of this research is therefore to find out consumer perception of Smartphone buyers in Indian Market. The research is trying to find out that why do people desire to purchase a smart phone, what influence people in purchasing a Smartphone and what motivate them in making 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 final decision.

Nowadays cheaper smart phones are also available in the market. But why people buy expensive smart phones? 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 brand of smart phone affect the buying decision of a customer? As there are various types of smart phones available in market with varying price; what is the difference between them? And how they impact the customer buying decision?

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

OBJECTIVES OF THE STUDY

The research objectives for this study are as follows:

1. To identify to what extent evaluation of outcomes and beliefs affect consumers attitudes and intention to purchase in the smart phone market in India.
2. To develop a framework on the effects of external influence and internal influence which affect self-concept and life style of the consumer which result in purchasing decision making process.
3. To analyze what are the factors which influence and eventually motivate the customer to buy smart phone in Indian market.
4. To analysis the theoretical implication of brand of smart phone in Indian market and what are the effect on purchase decision making process.

LIMITATION OF THE STUDY

- Sampling size was 100 people. Some people didn't response to our question because they are busy with their personal works
- A few respondents might have given based information which may affect the reliability of result
- Lack of Interest and time on the part of respondents to answer patiently.

RESEARCH METHODOLOGY:

- This chapter identifies how the research was done, and its aim is to describe the research strategy and methods applied in this study, and to discuss their suitability within the context of various researches. This includes a general overview of the overall research philosophy employed in carrying out the research.

RESEARCH DESIGN:

- Research design provides an overall direction for the collection and analysis of data of a study (Churchill 1979). Importance of research design stems from its role as a critical link between the theory and argument that informed the research and the empirical data collected (Nachmias and Nachmias 2008).
- This is in the nature of smart phones and sought to describe the consumer perception towards on smart phone in Indian market.

STATEMENT OF THE PROBLEM:

In our country the growth of service marketing especially Smart phone Industry is still in its infancy stage, as compared to the industrially advanced countries. It is for the fact that the economy of our country has been in the developing stage. There are various mobile phones service provider's in our country and they are playing an essential role in fulfilling the needs of the customers. Now-a-days, the customers are more dynamic.

Their taste, needs and preference can the changing as per

current scenario. Hence the development of cellular industry mainly depends on the customer satisfaction. However the following questions may arise regarding customer satisfaction.

1. Does the cell industry satisfy the social responsibility?
2. What are all expectations of the customer's regarding features and service provided by the cell phone service provider?
3. Whether the service provided by cell phone industry is satisfying the customers?
4. Are the facilities available adequate to satisfy the customers?

DATA COLLECTION:
Honestly the data were collected through questionnaires , previous projects , interviews and internets and also library

a) Primary data
b) Secondary data
PRIMARY DATA:
Those data's are collected directly through questionnaires and also directly met.

SECONDARY DATA:
Those data are collected secondary way through Wikipedia, internet, previous projects, reviews etc.

SAMPLE SIZE:
A Sample of 100 respondents was taken into consideration for my study and the data was collected.

TOOLS USED:
- Percentage Analysis
- Chi-Square Test

OVERVIEW OF AN APPLE PRODUCT:
Smart phone industry in India
With rapid consumerism sweeping the country, India has emerged as the second largest smart phone. Handset market, poised for explosive growth by 2020. The major drivers for growth have been the demand and also the existence of companies providing the most technologically advanced handset sat justifiable prices. The technological developments have been the driving factor for the increasing demand graph.

The smart phone handset market in India is estimated to be worth Rs.8.05billion (US $2billion) as of 2019/20 and will surge by 62% with approximately 500-million subscribers nationwide by 2020. It is also learnt that the Indian smart phone. Subscribers are willing to pay for upgrades, value-based services, and advanced models that provide better services.

There has been a growth in the smart phone handset market in India and the demand is increasing with the increasing tele-density. The market is overloaded with the number of smart phone. Handset providers due to which the customer is able to bargain for a reasonable price for the smart phones.

The various players are Apple, Nokia, Samsung, Motorola, Sony Ericsson, Alcatel, Panasonic, Siemens, BenQ, Mitsubishi, Philips ,NEC, Sagem ,LG ,Sharp, Oppo, Vivo, O2, i-mate, Qtek, BlackBerry, Haier, Bird, Eten, HP and XCute. Dominated largely by Samsung with a total market share of 60%, followed by Nokia (14%) and Motorola (7%) respectively, Indian mobile handset market is currently catering to 45 million subscribers (June 2017).

Recent records show that Indian GSM cellular user base has grown from 43 million, as estimated in May, to 45 million in June 2018, representing a growth of 3.50% in the month under review, witnessing large and propitious foreign investors flooding the market eyeing for large chunks.

In addition, recent changes imbibed in the government policies that price mobile handsets at a lower end with flexible custom-duty for new entrants are startling the market with multiple models largely aimed to higher and middle-income groups. Industry sources, though, view the market to be at its nascent stage, many large EMS (Electronic Manufacturing Services) companies are seriously considering setting up their handset facilities in India.

HISTORY OF INDIAN TELECOMMUNICATIONS
A handheld smart phone radio telephone service was envisioned in the early stages of radio engineering. In 1917, Finnish inventor Eric Tigerstedt filed a patent for a "pocket-size folding telephone with a very thin carbon microphone". Early predecessors of cellular phones included analog radio communications from ships and trains. The race to create truly portable telephone devices began after World War II, with developments taking place in many countries. The advances in mobile telephony have been traced in successive "generations", starting with the early zeroth-generation (0G) services, such as Bell System's Mobile Telephone Service and its successor, the Improved Mobile Telephone Service. These 0G systems were not cellular, supported few simultaneous calls, and were very expensive.

The first handheld cellular smart phone was demonstrated by John F. Mitchell and Martin Cooper of Motorola in 1973, using a handset weighing 2 kilograms (4.4 lb). The first commercial automated cellular network (1G) analog was launched in Japan by Nippon Telegraph and Telephone in 1979. This was followed in 1981 by the simultaneous launch of the Nordic Mobile Telephone (NMT) system in Denmark, Finland, Norway, and Sweden. Several other countries then followed in the early to mid-1980s. These first-generation (1G) systems could support far more simultaneous calls but still used analog cellular technology. In 1983, the DynaTAC 8000x was the first commercially available handheld smart phone.

In 1991, the second-generation (2G) digital cellular technology was launched in Finland by Radiolinja on the GSM standard. This sparked competition in the sector as the new operators challenged the incumbent 1G network operators.

Ten years later, in 2001, the third generation (3G) was launched in Japan by NTT DoCoMo on the WCDMA standard.[9] This was followed by 3.5G, 3G+ or turbo 3G enhancements based on the high-speed packet access (HSPA) family, allowing UMTS networks to have higher data transfer speeds and capacity.

By 2009, it had become clear that, at some point, 3G networks would be overwhelmed by the growth of bandwidth-intensive applications, such as streaming media.[10] Consequently, the industry began looking to data-optimized fourth-generation technologies, with the promise of speed improvements up to ten-fold over existing 3G technologies. The first two commercially available technologies billed as 4G were the WiMAX standard, offered in North America by Sprint, and the LTE standard, first offered in Scandinavia by TeliaSonera.

5G is a technology and term used in research papers and projects to denote the next major phase in mobile telecommunication standards beyond the 4G/IMT-Advanced standards. The term 5G is not officially used in any specification or official document yet made public by telecommunication companies or standardization bodies such as 3GPP, WiMAX Forum or ITU-R. New standards beyond 4G are currently being developed by standardization bodies, but they are at this time seen as under the 4G umbrella, not for a new mobile generation.

THE KEY PLAYERS IN THE MOBILE MARKET IN INDIA:

- **NOKIA**
- **SAMSUNG**
- **IPHONE**
- **REDMI (MI)**
- **MOTOROLA**

FINDINGS

- 100% of the respondents are using smart phones.
- The respondents coming under 25-35 age are using more as compared to other age groups.
- Smartphone brings mobile inter phase.
- Under this study, 100% of the respondents are able to buy a smart phone.

SUGGESSIONS

- The price of the smart phones is high, so a layman is not able to buy it.
- There should be more range and features.
- Need to increase the range of mobile phones.

CONCLUSION

This chapter showed the consumer Perception toward smart phone in Indian market, the Perceptions influenced by various factors. These factors motivate consumer and help them in purchase decision making process which result in consumer buying a smart phone. The model helped to determine each factor and identify as how they are influencing consumers. This literature helped to shape the research questions and research objectives of this study. It also shows the brand influence on consumer Perception as brand of smart phone plays important role in consumer purchase decision for a smart phone.

All the respondents agreed that Smartphone is really essential to make their daily life easier. Indeed Smartphone have made people smarter by organizing their lives with a single device and providing access to the world wide information at the fingertips. It doesn't only organize daily life by putting calendars, to do list and shopping list at one place but also helps people connected from all over the world by integrating contacts, emails, social networking, messaging and even video chats. It has made lives easier for everyone. One can use it for education purpose, job related tasks, information search or entertainment purposes.

SIMPLE PERCENTAGE METHOD

Sl.no	AGE	%	Sl.no	GENDER	%	Sl.no	OCCUPATION	%
1	15-25	0	1	MALE	100	1	STUDENT	97
2	25-35	56	2	FEMALE	0	2	SELF-EMPLOYED	2
3	35-45	32		**Total**	**100**	3	PROFESSIONAL	1
4	45 ABOVE	12				4	HOUSEWIFE	0
	Total	**100**				5	SALARIED	0
						6	RETIERD	0
Sl.no	**ANNUAL INCOME**	**%**					**Total**	**100**
1	BELOW 50,000	62	**Sl.no**	**HAVING SMARTPHONES**	**%**	**Sl.no**	**TYPES OF SMARTPHONE**	**%**
2	1 LACK	23	1	YES	94	1	BLACKBERRY	3
3	ABOVE 1 LACK	15	2	NO	6	2	I PHONE	7
	Total	**100**		**Total**	**100**	3	NOKIA	3
						4	ANDROID	5
						5	WINDOW	80
Sl.no	**DOWNLOAD APPS FOR**	**%**	**Sl.no**	**BUSINESS APPLICATIONS**	**%**	6	OTHER	3
1	BLACKBERRY	3		YES	35		**Total**	**100**
2	I PHONE	5		NO	65	**Sl.no**	**AVAILABLITY**	**%**
3	NOKIA	4		**Total**	**100**	1	EXCELLENT	28
4	WINDOWS	5				2	GOOD	48
5	ANDROID	78				3	AVERAGE	21
6	OTHERS	5				4	BELOW AVERAGE	3
	Total	**100**					**Total**	**100**
Sl.no	**AGE GROUPS**	**%**	**Sl.no**	**GAMES PLAYING**	**%**	**Sl.no**	**SMARTPHONE IS STRONG COMPITITOR**	**%**
1	LESS THAN 20	33	1	YES	91	1	YES	71
2	20-30	61	2	NO	9	2	NO	29
3	30-40	6		**Total**	**100**		**Total**	**100**
4	40 AND ABOVE	0						
	Total	**100**						
			Sl no	**SWITCH TO OTHER SMARTPHONES**	**%**	**Sl.no**	**PRICE**	**%**
Sl.no	**INITIATIVE**	**%**	1	ONCE IN YEAR	33	1	BELOW 10,000	57
1	YES	82	2	6 MONTHS	14	2	ABOVE10,000	30
2	NO	18	3	BETWEEN 1-2 YEAR AND ABOVE	53	3	BELOW 40,000	12
	Total	**100**		**Total**	**100**	4	ABOVE40,000	1
							Total	**100**

Sl.no	HOW KNOW ABOUT SMARTPHONES	%	Sl.no	FACTORY INFLUENCE	%	Sl.no	INFLENCE MORE	%
1	NEWSPAPER	18	1	BRAND IMAGE	22	1	SELF	43
2	ADVERTISMENT	24	2	PRICE	13	2	FRIENDS / RELATIVES	40
3	THROUGH FRIENDS / FAMILY	48	3	QUALITY AND SPECIFICATION	65	3	FAMILY MEMBERS	14
4	OTHERS	10	4	AFTER SALES SERVICE	0	4	OTHERS	3
Total		**100**	**Total**		**100**	**Total**		**100**
Sl.no	**AWARENESS ABOUT SMARTPHONE**	**%**	**Sl.no**	**PERCIEVE**	**%**	**Sl.no**	**SATISFIED IN OVERALL SPECFICATION**	**%**
1	FULLY AWARE	46	1	BRAND IMAGE	42	1	FULLY SATISFIED	44
2	MEDIUM AWARE	46	2	PRICE	46	2	SATISFIED	54
3	UN AWARE	3	3	QUALITY AND NEW SPECIFICATION	4	3	UNDECIDE	2
4	LESS AWARE	5	4	AFTER SALE SERVICE	5	4	POOR	0
Total		**100**	7	STYLES / LOOKS	3	**Total**		**100**
			Total		**100**			
Sl.no	**THEY GO FOR THAT BRAND**	**%**	**Sl.no**	**BUY**	**%**	**Sl.no**	**DEVICE TYPE**	**%**
1	YES	75	1	SHOPS	32	1	BALCKBERRY	4
2	NO	25	2	ONLINE	52	2	I PHONE	15
	Total	100	3	FAMILY/FRIENDS	16	3	NOKIA	6
			4	OTHERS	0	4	WINDOWS	4
Sl.no	**RESPONCE**	**%**	**Total**		**100**	5	ANDROID	67
1	EXCELLENT	50				6	OTHERS	4
2	GOOD	43	**Sl.no**	**RATING**	**%**	**Total**		100
3	AVERAGE	7	1	FIVE	68 68			
4	BELOW AWERAGE	0	2	FOUR	43			
Total		**100**	**3**	THREE	6			
			4	TWO	0			
			5	ONE	0			
			Total		**100**			

CHI-SQUARETEST

Computation of Annual income of the consumers and Price of the Smart phone.

	Below 50000	1 lakh	Above 1 lakh	**Total**
Below 10000	15	2	0	17
Above 10000	18	2	2	22
Below 40000	20	8	5	33
Above 40000	9	11	8	28
Total	62	23	15	100

O	E	O - E	$(O-E)^2$	$(O-E)^2/E$
15	10.54	4.46	19.89	1.887
18	13.64	4.36	19.0096	1.393
20	20.46	0.46	0.2116	0.010
9	17.36	8.36	69.8896	4.025
2	3.91	1.91	3.6481	0.933
2	5.06	3.06	9.3636	1.850
8	7.59	0.41	0.1681	0.022
11	6.4	4.6	21.16	3.306
0	0	0	0	0
2	3.3	1.3	1.69	0.512
5	4.95	0.08	0.0064	0.001
8	4.2	3.8	14.44	3.438
				17.377

Significant value = 12.592

INTERPRETATION:

The Table value is less than the calculated value. So, the Null Hypothesis was rejected and Alternative Hypothesis was accepted.

So, there is a significant relationship between annual income of the employees and price of the smart phone.