

A COMPARATIVE STUDY ON BUYING BEHAVIOR BASED ON ADVERTISING METHODS WITH RESPECT TO SMARTPHONES IN HYDERABAD

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Received: February 02, 2019

Accepted: March 11, 2019

ABSTRACT: Advertising has the most prominent and vital impact on the buying behavior of consumers. Smartphones have gained a lot of popularity in all over the country and are considered to be an essential tool for day to day usage. Therefore it has a growing demand for smartphones day by day; as well the need for effective advertising has also been raised. This paper centers on the impact of advertising on the buying behavior of Smartphones. The entire data is collected by distributing a structured questionnaire to the 52 respondents within the region of. The outcome generated from descriptive statistics is that most of the respondents own Xiaomi phone followed by Motorola and the Internet is considered as the most effective type of advertising followed by Social Media in the case of smartphone market. From the findings, it is revealed that there is no significant association between age and customer satisfaction and also there is no significant association between earnings of the customers and their frequency of buying smart phones. Similarly, in this study, it can be seen that there is no difference between male and female groups with respect to the selection of features in smartphones and there is no difference between male and female groups with respect to exposure of types of advertisement.

Key Words: : advertising; buying behavior; mobile phones; smartphones

INTRODUCTION

As the competition among the smartphone manufacturers keeps on increasing, companies have to invest a lot in marketing to convince their customers to buy their products and to dominate their competitors. Different companies have used different types of promotional activities of their products and services to attract consumers. But in this era of technology, the advertisement has become a significant way to promote products and services and is utilized for communication purpose. No company can become a market leader unless they invest lots of their budget in their promotional strategies everyone is growing up in the society embedded in mass media like television, internet, radio, videos, billboards, magazine, newspaper, social networking and other mediums. Marketers consider advertising as the best way to communicate with the consumers and convince them about their product and service. It is renowned for its broader exposure and considered as a long-lasting tool to set an image on consumers' mind regarding any idea or product. The smartphone market is mixed with numerous global brands along with the emerging Indian brands like Oppo, Vivo, Samsung, iPhone, Motorola and Xiaomi are some of the brands that have gained a prominent position in the local market. This paper gives a fair idea as to which media to follow for information to the right target audience. Also, different respondents in different age groups, occupation, and income have different kinds of preferences.

OBJECTIVES OF THE STUDY

The present study is based on the following objectives:

1. To study the demographics of the customers with their level of satisfaction in usage if smartphones.
2. To study the earning capacity of the customers with their purchasing behavior.
3. To study the gender preferences with respect to the features of smartphones.
4. To study the gender preference with respect to the type of the advertisement.

RESEARCH HYPOTHESES

1. Null Hypothesis(H₀):- There is no significant association between age and customer satisfaction.

2.Null Hypothesis(H₀):- There is no significant association between earnings of the customers and their frequency of buying smartphones

3.Null Hypothesis(H₀):- There is no difference between male and female groups with respect to the selection of features in smartphones.

4.Null Hypothesis(H₀):- There is no difference between male and female groups with respect to exposure of types of advertisement.

REVIEW OF LITERATURE

Androulidakis ; G. Kandus (2011) correlated the brand of mobile phone to users' security practices,. Users show different behavior in an array of characteristics, according to the brand of the mobile phone they are using. As such, there is a categorization of areas, different for each brand, where users are clearly lacking security mind, possibly due to lack of awareness. Such a categorization can help phone manufacturers enhance their mobile phones in regards to security, preferably transparently for the user.

Bhatt, in his article "A study of smartPhone Usage Among the Post Graduate Students" released in Indian Journal of Marketing, April (2008) has studied smartphone usage, duration of use, necessity, the spending on smartphones, influencing factor for purchasing the smartphone, awareness of medical side effects of the smartphone usage amongst the postgraduate student on the basis of primary data; which was collected at Sardar Patel University from 700 post graduate students. The results indicate that the usage and satisfaction level of smartphone users differ from company to company

Oyeniya, Omotayo Joseph - Abiodun, Abolaji Joachim (2010) emphasis on customer loyalty and customer switching cost. Switching cost is one of the most discussed contemporary issues in marketing in attempt to explain consumer behaviour. The present research studied switching cost and its relationships with customer retention, loyalty and satisfaction in the Nigerian telecommunication market. The study finds that customer satisfaction positively affects customer retention and that switching cost affects significantly the level of customer retention.

Shibashish, Chakraborty and Kalyan Sengupta (2008) endeavors to make a detailed study on important demographic variables of customers affecting brand switching of customers. This study will highlight pertinent aspects of prediction of switching proclivity of customers from one service provider to another.

Ajax Persaud, Irfan Azhar, (2012) concludes that consumers' shopping style, brand trust, and value are key motivations for engaging in smart marketing through their smartphones. Further research should focus on specific tactics marketers use to engage customers beyond marketing messages, that is, how they engage customers in dialogue to build relationships, encourage purchases and build loyalty. This could reveal how customers really want to engage in smart marketing

RESEARCH METHODOLOGY

This study is based on the primary data collected through a questionnaire. There are total of 52 samples collected from the smartphone users in Kukatpally (Hyderabad). The questionnaire has been constructed to understand the contribution of various components towards the effect of advertising towards smart phones. The data has been collected through an online survey along with the detailed demographics of the participants. Secondary data has been collected from various sources such as books, journals, and online resources. This questionnaire is distributed to 80 people. However, 52 people out of 80 responded by completing the questionnaire. So the final sample size is 52. The questionnaire was sent by e-mail in the form of Google forms and got consent of respondents on simple random sampling method. Once consent received from the respondent, a structured questionnaire was sent back through email and responses were updated in Google forms. Hyderabad is a place where we can find different people with different cultures and customs therefore their requirements and selection of features are distinct. Since Hyderabad is technically a developed area, these days a lot of people in Hyderabad depend on e-commerce and using smartphones widely. As study it is a pilot study, there are only 52 samples are collected particularly from the customers residing in Kukatpally, Hyderabad were taken for the study. The data collected from the questionnaire is analyzed using the statistical tools and the result is presented in tables for clear understanding to the reader. The conclusion drawn from the findings and from the analysis of the research and recommendations made accordingly. The collected data are logically and systematically entered using SPSS software and analysis done as per the requirement of study. Descriptive as well as Inferential analysis are used for analyzing the data. Central tendency, frequency table, Chart, Graph and Chi-square are used for descriptive analysis. For Hypothesis testing, Chi-square test and independent samples t-test are done in this study.

Finally the main limitation of the study is the sample size (52 samples) which may not represent the population accurately.

DATA ANALYSIS AND INTERPRETATION

RELIABILITY

The questionnaire used for the study consist of 26 question has good reliability as per Cronbach alpha test. The results from the table-1 showing the selected questionnaire has adequate reliability of alpha value 0.849

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .849 | 26 |

HYPOTHESES TESTING

Null Hypothesis (H0):- There is no significant association between age and customer satisfaction.

Thetables-2 shows the cross tabulation between age of the respondents and their overall satisfaction with their smartphones. As illustrated, out of 52 respondents, majority of the respondents were of the age 18-25 years (59.6%), followed by the age group of 25-35 years(19.2%).On a whole,majority of the respondents were much satisfied with their present smartphone and hardly few were completely dissatisfied with their phones.

| Count | | Satisfaction Level | | | | Total |
|-------|---------------|--------------------|---------|-------|----------------|-------|
| | | Strongly Disagree | Neutral | Agree | Strongly Agree | |
| Age | < 18 years | 1 | 2 | 0 | 1 | 4 |
| | 18 - 25 years | 0 | 9 | 16 | 6 | 31 |
| | 25-35 years | 0 | 3 | 3 | 4 | 10 |
| | >35 years | 1 | 2 | 3 | 1 | 7 |
| Total | | 2 | 16 | 22 | 12 | 52 |

| | Value | Df | Asymp. Sig. (2-sided) |
|------------------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 13.092 ^a | 9 | .159 |
| Likelihood Ratio | 12.683 | 9 | .177 |
| Linear-by-Linear Association | .024 | 1 | .877 |
| N of Valid Cases | 52 | | |

Chi Square Analysis of age and level of satisfaction showed in table 3.The chi- square value is greater than 0.05 level of significance, we can conclude that there is no significant association between age and customer satisfaction.

Null Hypothesis (H0):- There is no significant association between earnings of the customers and their frequency of buying smartphones

The Cross Tabulation of Earnings of the customers and their frequency of buying smartphones can see in the table 4, that on whole respondents were buying smart phones with moderate frequency and the majority of the customers were earning below 10,000. The table confined that the customers earning less salary are frequently buying than the customers earning more than 50,000 rupees. It is known fact that the branded smartphones with high price have more reliability than smartphones of low price. Therefore the customers buying smartphone with lesser amounts are requiring replacing more. Hence buying frequency is more.

| Count | | Frequency of buying | | | | Total |
|-------------------------|------------------|---------------------|----------|------|----------------|-------|
| | | Low | Moderate | High | Extremely High | |
| Salary per month in Rs. | < 10 thousand | 8 | 13 | 3 | 1 | 25 |
| | 10 - 25thousand | 3 | 4 | 1 | 0 | 8 |
| | 25 - 50 thousand | 2 | 6 | 2 | 0 | 10 |
| | >50 thousand | 2 | 3 | 1 | 3 | 9 |
| Total | | 15 | 26 | 7 | 4 | 52 |

| | Value | Df | Asymp. Sig. (2-sided) |
|------------------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 11.342 ^a | 9 | .253 |
| Likelihood Ratio | 9.353 | 9 | .405 |
| Linear-by-Linear Association | 3.202 | 1 | .074 |
| N of Valid Cases | 52 | | |

Chi Square Analysis of earnings of the customers and frequency of buying smart phones reveals that there is no association between earnings of customers with their buying frequency. Which means customer earning capacity is not dominating the need of smartphone. From the Table 5, as the chi- square value is greater than 0.05 we can conclude that there is no significant association between earnings of the customers and their frequency of buying smart phones.

Null Hypothesis (H0):- There is no difference between male and female groups with respect to the selection of features in smartphones.

To find out the difference in selection of smartphone features while buying among male and female groups it is used independent samples t-test tool. The analysis covers mean and slandered deviations among groups with t-test results for the study. Is verifying the hypothesis and ascertain the significance of gender and selection of features by the customers.

| Gender | N | Mean | Std. Deviation | Std. Error Mean | |
|----------|--------|------|----------------|-----------------|------|
| Features | Male | 27 | 4.11 | .801 | .154 |
| | Female | 25 | 3.48 | 1.046 | .209 |

| | | Equality of Variances | | t-test for Equality of Means | | | | | | |
|----------|-----------------------------|-----------------------|------|------------------------------|--------|-----------------|-----------------|-----------------------|-----------------|-------|
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Interval of the | |
| | | | | | | | | | Lower | Upper |
| Features | Equal variances assumed | 2.075 | .156 | 2.455 | 50 | .018 | .631 | .257 | .115 | 1.148 |
| | Equal variances not assumed | | | 2.430 | 44.913 | .019 | .631 | .260 | .108 | 1.154 |

Based on the group statistic in table 6, it can be assumed that the male and female selected futures of smartphones differently. With the help of the t-test it is now possible to determine if this difference is also statistically significant or not. As we can see from the Table 7, the p- value is 0.018 which is less than 0.05.Thus, the null hypothesis is rejected and we can conclude that there is a significant difference among male and female groups with respect to the selection of features in smartphones.

Null Hypothesis (H₀):- There is no difference between male and female groups with respect to exposure of types of advertisement.

To find out the difference in between male and female groups with respect to the exposure of advertisement method here also used independent samples t-test tool. The analysis covers mean and slandered deviations among groups with t-test results for the study. Is verifying the hypothesis and ascertain the significance of gender and exposure of advertisement type by the customers.

| Gender | N | Mean | Std. Deviation | Std. Error Mean | |
|-------------------------|--------|------|----------------|-----------------|------|
| Types of Advertisements | Male | 27 | 3.26 | .712 | .137 |
| | Female | 25 | 3.16 | .850 | .170 |

| | | Equality of Variances | | t-test for Equality of Means | | | | | | |
|-------------------------|-----------------------------|-----------------------|------|------------------------------|--------|-----------------|-----------------|-----------------------|-----------------|-------|
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Interval of the | |
| | | | | | | | | | Lower | Upper |
| Types of Advertisements | Equal variances assumed | .154 | .696 | .458 | 50 | .649 | .099 | .217 | -.336 | .535 |
| | Equal variances not assumed | | | .454 | 46.993 | .652 | .099 | .218 | -.340 | .539 |

Based on the group statistic in table 8, it can be assumed that the male and female selected exposed to advertisements similarly. With the help of the t-test it is now possible to determine if that is also statistically significant or not. As we can see from the Table 9, the p- value is 0.458 which is more than 0.05. Thus, the null hypothesis is accepted and we can conclude that there is no significant difference among male and female groups with respect to their exposure of advertisement methods regarding smartphones.

CONCLUSION

Although this study has attempted to find the advertisement exposure on the smartphones buying behavior of customers in Kukatpally, there are some perceivable research limitations with regard to the sampling as the number of respondents is restricted to only Kukatpally. In a nutshell, the study shows that customer age is not a significant attribute to measure satisfaction of smartphone customers, the age groups between 18 to 25 years are more satisfied with the smart phones and the customers buying smartphone with lesser amounts are requiring replacing more. Hence buying frequency is more. The study also concluded that the customer earning capacities are not associating with their buying frequency. The comparative study between male and female groups was given distinct results in taken two parameters (selection of smartphone features and exposure to advertisements regarding smartphones). The study confirmed that the feature selection among male and female groups is entirely different but their exposure to advertisement is not having any differentiation. Therefore it is suggestable to smartphone manufactures as male and female are expecting different features in smartphones it is better to design different advertisements for male and female groups based on their features selection in smartphones.

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